

County of Sutter
State of California

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2020



Nathan M. Black, CPA
Auditor-Controller

The front cover features a view of the Sutter Buttes on a mostly clear day. This mountain range is known as “The Smallest Mountain Range in the World.” Sutter County is located in the heart of the Sacramento Valley, with 88 percent of its 600-square miles being prime farm and grazing land.

The photographs were taken and shared by Blake M. Westmoreland, a citizen of Sutter County.



A picture of wild pea plants on the bank of a canal in Sutter County. There are 22 canals in Sutter County used to support the many crops and orchards of the county.

County of Sutter
State of California

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020



Nathan M. Black, CPA
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Introductory Section

Introductory Section



County of Sutter

Nathan M. Black, CPA
Auditor-Controller

Joe Jones, CPA
Assistant Auditor-
Controller



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Auditor@co.sutter.ca.us

December 23, 2020

To the Citizens of Sutter County:

The Comprehensive Annual Financial Report (CAFR) of the County of Sutter (County) for the fiscal year ended June 30, 2020, is hereby submitted in compliance with Section 25250 and 25253 of the Government Code of the State California. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive internal control framework it established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The independent auditor's report is located at the front of the financial section of this report. Lance, Soll & Lunghard, LLP, has issued an unmodified opinion on the County's financial statements for the year ended June 30, 2020. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

Policymaking and legislative authority is vested in the County Board of Supervisors (Board), which consists of an elected supervisor from each of the five districts. The Board is responsible for, among other things, passing ordinances, adopting budgets and appointing committees, the County Administrative Officer (CAO), and non-elected department directors. Supervisors are elected to four-year staggered terms with two supervisors elected in even-years and three supervisors elected in odd-years. The County has six elected department directors responsible for the offices of the Assessor, Auditor-Controller, Clerk-Recorder-Elections, District Attorney, Sheriff-Coroner, and Treasurer-Tax Collector. The following organization chart reflects the various functional categories reported in the governmentwide Statement of Activities as well as identifies principal officials.

Geography and Industry

The County, one of California's original 27 counties, is located in the heart of the Sacramento Valley approximately 45 miles north of the State Capitol. Sutter County encompasses approximately 600 square miles made up of nearly 90% prime agricultural land. The Feather and Sacramento rivers provide vast amounts of water for this agricultural community. The Sutter Buttes are a cluster of mountain peaks that rise in sharp relief to the surrounding valley floor. They are considered to be the "smallest mountain range in the world" having formed between 1.4 and 1.6 million years ago.

Two incorporated cities are within the County: Yuba City and Live Oak. The largest employment categories include government, trade, transportation and utilities, health services, and agriculture. The Mediterranean climate provides relatively mild winters while summers are generally hot and dry.

Policy & Executive



Ron Sullenger
First District Supervisor



Dan Flores
Second District Supervisor



Mike Ziegenmeyer
Third District Supervisor



Jim Whiteaker
Fourth District Supervisor



Mat Conant
Fifth District Supervisor

Steve Smith
County Administrative Officer (CAO)

Jean Jordan
County Counsel

Public Protection

Brandon Barnes
Sheriff-Coroner

Amanda Hopper
District Attorney

Donna Garcia
Probation

Mark Van den Heuvel
Public Defender

John Shalowitz
Fire

Natalie Dillon
Child Support

Health & Sanitation

Nancy O'Hara
Health and Human Services

Leah Northrop
Public Health

Sarah Eberhardt-Rios
Behavioral Health

Public Assistance

David Nagra
Social Services

General Government

Nathan M. Black, CPA
Auditor-Controller

Todd Retzlaff
Assessor

Steven L. Harrah, CPA
Treasurer-Tax Collector

Ken Sra
General Services

Donna Johnston
Clerk-Recorder

Gina Rowland
Human Resources

Public Ways & Facilities

Neal Hay
Development Services

Education, Recreation & Culture

James Ochsner
Library

Jessica Hougen
Museum

Lisa Herbert
Agriculture Commissioner

Component Units

The County, with over 1,000 full-time equivalent employees, provides a full range of services to its residents as the organization chart above depicts. Included in operations are various component units which provide specific services countywide or to distinct geographic areas within the County. They include: In-Home Supportive Services Public Authority, Children and Families Commission, Gilsizer County Drainage District, Sutter County Fish & Game, County Service Areas, and Lighting Districts.

While these entities are legally separate from the County, the County is financially accountable for them as their governing bodies are substantially the same as the County Board. Other entities, such as the Sutter County Resource Conservation District, various Levee Districts and Reclamation Districts, conduct their own day-to-day operations, answer to their own governing board, and thus are not included in the County's financial statements.

Budget

The County is required by state law to adopt a final budget each year. This annual budget serves as the foundation for the County's financial planning and spending control. Budgets are adopted for all governmental and proprietary funds and are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The legal level of budgetary control is maintained at the fund, department, and object level with more stringent control over capital assets and fund balance categories, which are maintained at the line item level.

The Board must approve amendments or transfers of appropriations between funds or departments as well as items related to capital assets or fund balances. Supplemental appropriations necessary and normally financed by unanticipated revenues during the year must also be approved by the Board. The Board has delegated authority to approve transfers of appropriations between object levels within the same department to the CAO.

Factors Affecting Economic Condition

The following highlights and graphs are evidence of the changing economy on a Countywide basis that includes both the unincorporated area and the two incorporated cities.

During Fiscal Year (FY) 2020, the County continued to see positive economic trends, with historically low unemployment and steady gains in home values.

Employment

- The County’s average unemployment rate during FY 2020 increased 8.2% from 6.8% to 15.0%.
- The June 2020 County unemployment rate of 15.0% was above the State unemployment rate of 14.9% and the national unemployment rate of 11.1%.

Income

- Per capita income for the Sutter County area for 2020 increased by 1.2% to \$44,535.

Retail Sales

- Countywide retail sales increased 2.4% to \$1.84 billion for FY 2020.
- California retail sales increased 3.6% for the FY 2019.

Real Estate

- The Countywide median home value increased to approximately \$310,000.
- The real estate market continued its upward trend with increased property sales, price appreciation, and new construction.
- Total assessed property valuation for FY 2020 was \$10.36 billion, a 5.51% increase over the prior year of \$9.82 billion.

Agriculture

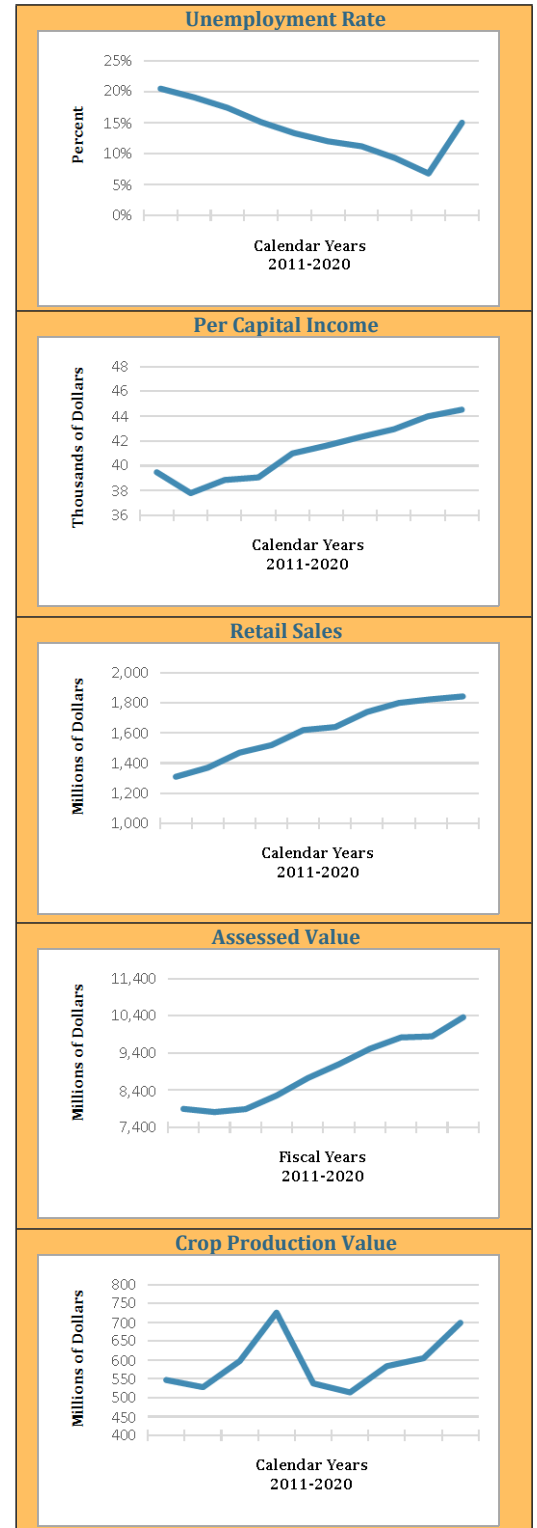
- Total acres harvested increased from 323,630 to 355,530, a 9.9% change.
- Total crop production value increased from \$584 million to \$605 million.

Economic Indicators

According to the California Fiscal Outlook, the forecast anticipates a continuing of the expansion in the U.S. economy, but with anticipated stock market weakness. In California, the economy in 2020 is expected to have slower job growth and a tight labor market with relatively low unemployment rates.

Sutter County is an agricultural community and thus the local economy is heavily reliant on strong agricultural commodity prices and availability of water. The growth in farmed acreage is an indicator that prices are stable and water available to meet the production needs.

Note: Information about our local economy was derived from the California *Employment Development Department* and the *Bureau of Labor Statistics* as well from local sources such as the Sutter County Agricultural Commissioner.



Major Initiatives

Long-term Financial Planning – Development of a Ten-Year Financial Strategic Plan

Although staff is submitting a “balanced” Recommended Budget for FY 2020-21, the General Fund continues to experience “structural” challenges. Ideally, recurring revenues should be sufficient to cover recurring expenditures. This is not the case for the General Fund. Instead, the General Fund relies on expenditure “savings” from the prior year to serve as a de-facto revenue (or “source of funds”) to balance the budget for the subsequent year. This is not a “Best Management Practice.”

The County must continually navigate the complex system of federal and state funding and be ever vigilant for funding reductions that will have an impact on local services, in particular those provided to the County’s most vulnerable citizens. The country has sustained 10 years of economic expansion, and it is feasible that the nation could face a recession within the next few years. Historically, the State has transferred greater financial responsibility onto counties as well as diverting funds from local government in order to close budget gaps. Under Governor Brown, the state was able to build a significant “rainy day fund,” which would help to sustain services in an economic downturn. With the advent of COVID-19 and the associated revenue loss across the state the state’s reserves have all but disappeared. Thus, the County must look for ways to become financially nimble to address a loss of federal, state and local revenues.

As part of the Board’s Top Priority #4, staff continues work to forecast revenues and expenditures over an extended period in order to promote the flexibility to strategically manage resources. A financial strategic plan is being completed and will come to the Board of Supervisors for review and adoption in the fall of 2020. -

County Facilities Master Plan

The County owns and/or leases over 30 facilities in different locations throughout the county. Over many years, the County has become a major property owner yet does not have sufficient staff and financial resources to maintain the buildings. This has translated into many facilities suffering from years, and in some cases decades, of deferred maintenance. Several County facilities are severely run-down and the cost to restore and/or repair them is more than abandoning these buildings and purchasing existing buildings elsewhere, along with purchasing raw land and building new facilities.

Recognizing the severity of this situation, in May 2017, the Board of Supervisors approved hiring an outside consultant (Kosmont and Associates) to conduct a review of all County facilities. A report was submitted to the County in October 2017. To build upon the results of the Kosmont report, in December 2018, the Board authorized a new agreement with an architectural firm (Nichols, Melburg & Rossetto, AIA & Associates) to develop the County’s Facilities Master Plan. The architects’ scope of work includes space surveys and departmental interviews to discuss the space needs of each County department. Completion of their report is anticipated in Fall 2019, and it will serve as the basis of an AB 1600 Study, so the County can update its Development Impact Fees. The increased fees will allow the County to begin collecting revenue to fund necessary future expansion needs.

In concept, the County’s plan includes locating all the general administrative and support functions into a main “Government Campus” surrounding the main offices housed at 1130 and 1160 Civic Center Boulevard in Yuba City. In Spring 2019, the County purchased an office building at 1190 Civic Center Boulevard, furthering the Campus plan. This building will house the Assessor’s Office within the budget year, freeing space for the Auditor-Controller and Treasurer-Tax Collector to move into 1160 Civic Center Boulevard in FY 2020-21.

A “Public Safety Campus” is recommended around the new State Courthouse located at 1175 Civic Center Boulevard and would include the Sheriff’s Office, expanded Jail, District Attorney’s Office, Probation, etc. A Health & Human Services Campus was recommended at 850 Gray Avenue in Yuba City. Other cluster campuses were recommended for the remaining County uses. Staff is working on a more formal Countywide Facilities Master Plan to be submitted to the Board of Supervisors at a later date.

In FY 2017-18, the County secured a long-term lease for 850 Gray Avenue to house approximately 250 Health and Human Service employees, or about 25% of the County’s workforce. Design of the improvements necessary to house staff and provide services to clients has begun, and County staff is working with an outside financial consultant to obtain financing for construction. The \$19 million Jail Expansion Project was completed during FY 2019-20.

Homelessness

The rise in the local homeless population (especially within the Feather River river-bottoms and throughout Downtown Yuba City) continues to present challenges for the local community and economy. As revealed in a recent Yuba City citywide survey, homelessness was, by far, ranked as the community’s most serious concern. In response, the County continues to work closely with other local governments and service providers, including the following two bi-county working groups: 1) Bi-County Homeless Consortium; and, 2) Bi-County Homeless Services Program.

In November 2017, the Board of Supervisors adopted a formal Sutter County Long-Term Homeless Management Plan. As a part of implementing this plan, the County has moved forward with building a shelter complex at its Behavioral Health campus located at 1965 Live Oak Boulevard. Construction on the site was completed in September 2019. This plan was developed in partnership with other regional governments as well as community-based organizations to improve services and shelter operations. As always, the goal remains to address homeless individuals' barriers to stable living and get them into permanent housing.

Sutter Pointe Specific Plan Implementation

In Spring 2019, developers submitted a proposed first project phase comprising 873± acres located in the eastern portion of the plan area north of Riego Road and south of Sankey Road. This first phase proposes to establish 3,402 single-family and 399 multifamily homes, along with 46.1 acres of employment centers, 25 acres of commercial centers, 61.3 acres of parkland, 54.9 acres of open space along with a K-8 school. The County is reviewing this project for consistency with the adopted Specific Plan and working with developers to establish the necessary public infrastructure and services needed to serve this mixed-use community and to ensure compliance with developer agreements, Sutter County's Federal Incidental Take Permit, and other environmental requirements.

Staff anticipates bringing this project forward for consideration in the second half of 2020 and it is believed that construction of new homes and businesses in this area could commence by the end of 2023 or early in 2024. As directed by the Board of Supervisors, this development is designed to be self-sustaining and to not have any net new costs to taxpayers outside of the plan area. At build-out of the entire 7,500-acre specific plan, Sutter Pointe provides for a maximum of 17,500 housing units, thousands of new jobs, and approximately 50,000 residents.

Relevant Financial Policies

Annual Financial Forecasting

Following mid-year budget reviews, that aid in current year decisions and forecasting year-end results from operations.

Mid-Year Budget Review

The County performs mid-year budget reviews that aid in current year decisions and forecasting year-end results from operations.

Contingency Planning

The County does not maintain a formal contingency policy, however, approximately 1% of the General Fund is budgeted annually as a contingency against unforeseen adverse developments in county operations.

Nonrecurring Revenue

The County performs mid-year budget reviews that aid in current year decisions and forecasting year-end results from operations.

Debt Affordability

The County is in the process of establishing a Debt Advisory Committee (DAC) to be made up of the County Administrator, Auditor-Controller, and Treasurer/Tax Collector. The purpose of the Committee will be to provide advice to the Board on debt issuance and management. The DAC review all potential debt issuances and provide a report to the Board of Supervisors.

Capital and Maintenance Funding

The County has an informal pay-as-you-go policy for funding capital. However, the County has recently begun procurement of a facilities master plan that will aid in capital funding and address the aging and disparate facilities.

Financial Reporting Awards

This report is the County's third CAFR. We plan to seek consideration for financial reporting awards in the future.





INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors and Grandy Jury
County of Sutter, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of County of Sutter, California, (the County) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



To the Board of Supervisors and Grand Jury
County of Sutter, California

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Sutter, California, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the General Fund, the Bi-County Behavioral Health Fund, the Welfare Fund, the Public Safety/Trial Courts Fund, the Mental Health Services Act Fund and Public Safety Realignment Fund, the schedule of changes in net pension liability and related ratios – miscellaneous plan, the schedule of pension plan contributions – miscellaneous plan, the schedule of changes in net pension liability and related ratios – safety plan, the schedule of pension plan contributions – safety plan, and the schedule of changes in total OPEB liability and related ratios be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, statistical section and glossary section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects in relation to the basic financial statements as a whole.

The introductory, statistical and glossary sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



To the Board of Supervisors and Grand Jury
County of Sutter, California

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2020 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Lance, Solt & Lughard, LLP

Sacramento, California
December 23, 2020

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Financial Highlights

The information in this section is not covered by the Independent Auditors' Report but is presented as required supplementary information for the benefit of the readers of the CAFR.

As management of the County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the County's Basic Financial Statements, which immediately follow this section. All dollar amounts are expressed in thousands.

Government-wide Financial Analysis

The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$57,010 (See Summary of Net Position and analysis on page 26):

- \$95,041 represents the County's investment in capital assets, less (1) accumulated depreciation, (2) related outstanding debt used to acquire those assets, and (3) related deferred inflows of resources,
- \$87,466 is available for the County's ongoing obligations related to programs with external restrictions, and;
- \$(125,497) in unrestricted net position is primarily the result of the County's unfunded pension and Other Postemployment Benefits (OPEB) liabilities.

The County's total net position decreased by \$2,448 over the prior year:

- The \$4,874 increase in net position from the net investment in capital assets represents capital acquisitions and deletions, less current year depreciation, and the addition and/or retirement of related long-term debt and deferred inflows of resources,
- The \$275 decrease in restricted net position represents the change in resources that are subject to external restrictions on their use, and;
- The \$7,047 decrease in unrestricted net position is the change available to fund County programs to citizens and debt obligations to creditors.

Financial Analysis of the County's Funds

The County's governmental funds' combined ending fund balance of \$102,858, was an increase of \$2,515 from the prior year ending fund balance of \$100,343. Amounts available for spending include Restricted, Committed, Assigned and Unassigned Fund Balances; these totaled \$100,283 or 97% of ending fund balance. Of this amount:

- \$77,773 is restricted by law or externally imposed requirements,
- \$14,409 is committed for specific purposes,
- \$34 is assigned fund balance, and;
- \$8,067 is unassigned fund balance.

Spendable fund balance for the General Fund decreased \$644 to \$17,780, which equates to 64% of total General Fund expenditures for the year.

Description of the Basic Financial Statements

Management's Discussion and Analysis introduces the County's Basic Financial Statements. The County's Basic Financial Statements include three components:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

Government-wide Financial Statements

The Government-wide Financial Statements provide readers with a broad overview of the County's finances, in a manner similar to a private sector business.

The Statement of Net Position presents information on all of the County's Assets and Deferred Outflows of Resources and Liabilities and Deferred Inflows of Resources with the difference reported as Net Position.

$$\text{Net Position} = (\text{Assets} + \text{Deferred Outflows of Resources}) - (\text{Liabilities} + \text{Deferred Inflows of Resources})$$

Over time, increases or decreases in Net Position are a useful indicator of an improving or deteriorating County financial condition.

The Statement of Activities presents the most recent fiscal year changes in the County's net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows (Accrual Basis of Accounting). The statement reports items resulting from cash flows in future fiscal periods (e.g., uncollected taxes, and earned but unused vacation leave) as revenues and expenses.

The Government-wide Financial Statements distinguish functions of the County principally supported by taxes and intergovernmental revenues (governmental activities) from other functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities grouped by function of the County include General Government, Public Protection, Public Ways and Facilities, Health and Sanitation, Public Assistance, Education, and Recreation and Culture. The business-type activities of the County include Waterworks District #1.

Component Units are included in the financial statements and are legally separate entities for which the County is financially accountable. If a component unit's total debt is expected to be repaid entirely by the County, if the component unit provides services entirely to the County, or if the component unit has substantially the same governing board as the County and there is a financial benefit or burden relationship or County management has operational responsibility for a component unit, then the component will be classified as a blended component unit. If a component unit does not meet any of the preceding requirements it will be presented as a discrete component unit. The following is a list of the County's blended component units:

1. In-Home Supportive Services Public Authority
2. Gilsizer County Drainage District
3. Sutter County Fish & Game Commission
4. County Service Areas
5. Lighting Districts
6. Children and Families' Commission

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The County's funds are divided into three types:

- Governmental funds
- Proprietary funds
- Fiduciary funds

Governmental Funds

Governmental funds account for essentially the same functions reported as governmental activities in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year (Modified Accrual Basis of Accounting). Such information may be useful in evaluating the County's near-term financing requirements. To understand the long-term impact of the County's near-term financing decisions, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains approximately 130 individual governmental funds combined into 20 funds for financial reporting purposes. The County segregates from the General Fund a number of significant functions in 5 major funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Bi-County Behavioral Health, Welfare, Public Safety/Trial Courts, Mental Health Services Act, and Public Safety Realignment, all considered major funds. Data for the other 14 governmental funds are provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for all of its operating funds. The budget and actual comparison schedules provided for the General Fund and major special revenue funds demonstrate performance against this budget.

Pages 30 - 36 of this report display the Governmental Funds Financial Statements.

Proprietary Funds

The County maintains two types of proprietary funds: enterprise funds and internal service funds. The County has one enterprise fund which does not qualify as a major fund.

Enterprise Funds report the same functions presented as business-type activities in the Government-wide Financial Statements. The County uses an enterprise fund to account for Waterworks District #1.

Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County's internal service funds account for information technology services, fleet maintenance, employee wellness, and self-insurance programs. Since these services predominately benefit governmental rather than business-type functions, they are consolidated within governmental activities in the Government-wide Financial Statements.

Proprietary funds provide the same type of information as the Government-wide Financial Statements, but in more detail. The proprietary funds financial statements provide separate information for the enterprise fund and the internal service funds. Data for the five internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements.

Page 37 - 39 of this report display the Proprietary Funds Financial Statements.

Fiduciary Funds

Fiduciary funds account for resources held for the benefit of parties outside the County. Fiduciary funds are not reported in the Government-wide Financial Statements because the resources of those funds are not available to support the County's own programs. Fiduciary fund accounting is similar to proprietary fund accounting. Fiduciary funds report the external portions of the Treasurer's investment pool, a private-purpose trust fund, and agency funds.

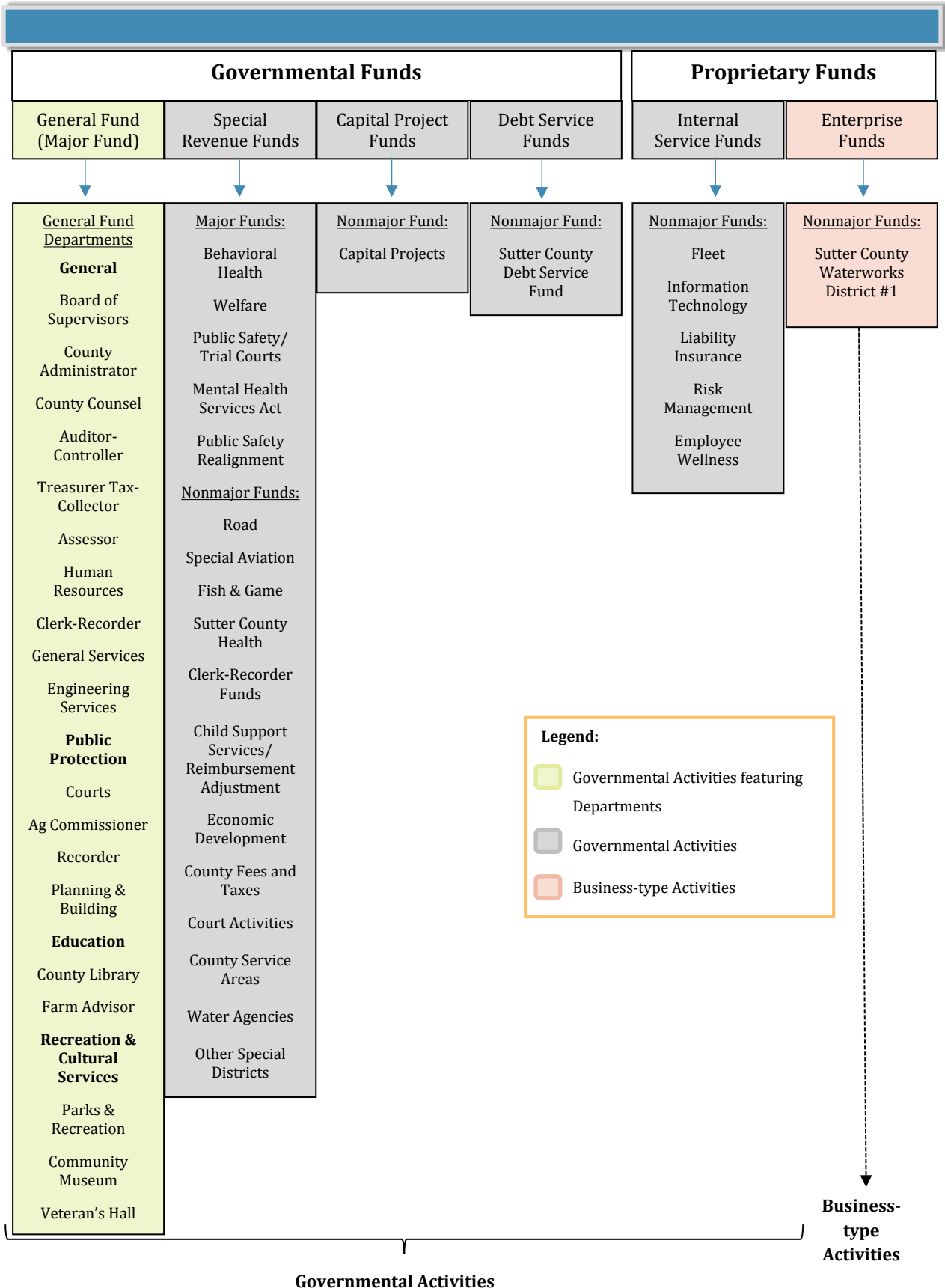
Pages 41 - 42 of this report display the Fiduciary Funds Financial Statements.

Notes to the Financial Statements

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. Information in the Notes to the Financial Statements is described as follows:

- Note 1 provides a general description of the County's Significant Accounting Policies.
- Notes 2 to 13 provide detailed information on cash and investments, loans receivable, capital assets, lease commitments, long-term liabilities, deferred outflows of resources, interfund transactions, risk management, deferred inflows of resources, and fund balance classifications.
- Notes 14 and 15 provide detailed information on pension plans and other post employments benefits.
- Note 16 provides detailed information on the County's compensated absences liability.
- Note 17 provides other information such as construction commitments and contingent liabilities.
- Note 18 provides other information on significant events affecting the County subsequent to the fiscal year end date of June 30, 2020.
- Note 19 provides information on fund balance restatements.

Notes to the Financial Statements start on Page 46 of this report.



Government-wide Financial Analysis

Condensed Statement of Net Position (in thousands)

	Governmental Activities		Business-Type Activities		Total		Total	
	2020	2019	2020	2019	2020	2019	Dollar Change 2019 to 2020	% Change 2019 to 2020
Current and other assets	\$ 131,846	\$ 128,876	\$ 413	\$ 409	\$ 132,259	\$ 129,285	\$ 2,974	2%
Capital assets	99,996	96,008	2,482	1,701	102,478	97,709	4,769	5%
Total Assets	231,843	224,884	2,894	2,110	234,737	226,994	7,743	3%
Deferred outflows of resources								
Deferred OPEB	686	727	-	-	686	727	(41)	(6%)
Deferred pension	28,640	27,156	-	4	28,640	27,160	1,480	5%
Total deferred outflows of resources	29,326	27,883	-	4	29,326	27,887	1,439	5%
Current and other liabilities	15,676	23,051	27	91	15,703	23,142	(7,439)	(32%)
Long term liabilities	182,128	164,804	152	187	182,281	164,991	17,290	10%
Total Liabilities	197,805	187,855	179	278	197,984	188,133	9,851	5%
Deferred inflows of resources								
Deferred OPEB	4,230	507	-	-	4,230	507	3,723	734%
Deferred pension	4,839	6,782	-	1	4,839	6,783	(1,944)	(29%)
Total deferred inflows of resources	9,069	7,289	-	1	9,069	7,290	1,779	24%
Net investment in capital assets	92,732	88,678	2,310	1,489	95,041	90,167	4,874	5%
Restricted	87,466	87,741	-	-	87,466	87,741	(275)	(0%)
Unrestricted	(125,903)	(118,796)	405	346	(125,497)	(118,450)	(7,047)	6%
Total Net Position	\$ 54,295	\$ 57,623	\$ 2,715	\$ 1,835	\$ 57,010	\$ 59,458	\$ (2,448)	(4%)

As noted earlier, over time, net position may serve as a useful indicator of a government's financial condition. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$57,010 at the close of the current fiscal year.

Analysis of Net Position

The County's total net position decreased by \$2,448, or 4%, during the fiscal year. As described below, the County experienced a net decrease mainly due to reductions in restricted net position and changes in net investment in capital assets.

Restricted net position

Restricted net position of \$87,466 represents resources that subject to external restrictions on their use or by enabling legislation. Due to the unique nature of funding sources and the unrestricted impact of the net pension and OPEB liabilities, the County has significantly more restricted net position dollars than unrestricted net position dollars. Restricted net position is comprised of the following:

- \$24,091 (27.5%) for health and social services.
- \$22,069 (25.2%) for public protection.
- \$19,790 (22.6%) for public ways and facilities.
- \$2,542 (2.9%) for taxes and fees.
- \$1,247 (1.4%) for other restrictions.
- \$5,499 (6.3%) for general government.

Restricted net position increased \$(275), or 0%.

Net investment in capital assets

The largest portion of the County's net position is invested in capital assets (e.g. land, buildings, roads, bridges, flood control channels, machinery, equipment, and intangible assets), less the related and outstanding debt used to acquire those assets and related deferred inflows of resources. The County uses these capital assets to provide services to citizens; as such, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Governmental & Business-Type	Capital Assets (in thousands)		Variance Amount	Percentage Change
	2020	2019		
Investment in capital assets (net of accumulated depreciation)	\$ 102,478	\$ 97,709	\$ 4,769	5%
Less:				
Related Debt	(7,436)	(7,542)	106	(1%)
Net Investment in Capital Assets	<u>\$ 95,041</u>	<u>\$ 90,167</u>	<u>\$ 4,875</u>	<u>5%</u>

The \$4,874, or 5.4% increase in net position from the net investment in capital assets represents capital acquisitions and deletions, less current year depreciation, and the addition and/or retirement of related long-term debt and deferred inflows of resources. The County recorded depreciation expense of \$6,332. Significant additions related to capital assets and associated debts are presented in the following pages.

Unrestricted net position

The negative unrestricted net position of \$(125,497) decreased by \$(7,047), or 5.9% from the prior year. The majority of negative unrestricted net position is primarily the result of the County's unfunded pension and OPEB liabilities offset by positive unrestricted net position predominately in the County's General Fund.

A summary of the changes in net position from 2019 to 2020 is presented below.

	Changes in Net Position (in thousands)						Total	
	Governmental Activities		Business-Type Activities		Total		Dollar Change	% Change
	2020	2019	2020	2019	2020	2019	2019 to 2020	2019 to 2020
Program revenues:								
Fees, fines & charges								
for services	\$ 24,193	\$ 45,613	\$ 248	\$ 260	\$ 24,442	\$ 45,873	\$ (21,431)	-47%
Operating grants	127,513	133,715	-	-	127,513	133,715	(6,202)	-5%
Capital grants	-	-	1,061	178	1,061	178	883	495%
Total program revenues	151,706	179,328	1,309	438	153,015	179,766	(26,751)	-15%
General revenues:								
Property taxes	33,442	31,965	-	-	33,442	31,965	1,476	5%
Franchise taxes	1,417	1,263	-	-	1,417	1,263	154	12%
Sales and use taxes	4,487	4,745	-	-	4,487	4,745	(257)	-5%
Transportation taxes	1,015	976	-	-	1,015	976	39	4%
Transfer taxes	468	455	-	-	468	455	12	3%
Other	498	366	-	-	498	366	131	36%
Unrestricted interest and investment earnings	2,909	3,867	(5)	9	2,904	3,875	(971)	-25%
Tobacco settlement	932	972	-	-	932	972	(40)	-4%
Miscellaneous	12,662	3,987	3	-	12,665	3,987	8,678	218%
Total general revenues	57,830	48,596	(2)	9	57,828	48,605	9,223	19%
Total revenues	209,536	227,924	1,307	446	210,843	228,370	(17,528)	-8%
Expenses:								
General government	33,533	31,856	-	-	33,533	31,856	1,677	5%
Public protection	52,761	59,864	-	-	52,761	59,864	(7,103)	-12%
Public ways and facilities	11,073	10,238	-	-	11,073	10,238	835	8%
Health and sanitation	59,593	59,027	-	-	59,593	59,027	566	1%
Public assistance	52,451	46,931	-	-	52,451	46,931	5,520	12%
Education	1,867	1,744	-	-	1,867	1,744	123	7%
Recreation and culture	988	566	-	-	988	566	421	74%
Community development	-	-	-	-	-	-	-	0%
Interest and fiscal charges	283	352	-	-	283	352	(69)	-20%
Water Works District No. 1	-	-	427	833	427	833	(406)	-49%
Total expenses	212,549	210,579	427	833	212,976	211,412	1,564	1%
Excess (deficiency) of revenues over (under) expenses	(3,013)	17,345	880	(387)	(2,133)	16,959	(19,092)	-113%
Transfers	-	-	-	-	-	-	-	0%
Change in Net Position	(3,013)	17,345	880	(387)	(2,133)	16,959	(19,092)	-113%
Net Position, beginning, restated	57,308	40,277	1,835	2,221	59,143	42,499	16,644	39%
Net Position, ending	\$ 54,295	\$ 57,623	\$ 2,715	\$ 1,835	\$ 57,010	\$ 59,458	\$ (2,448)	-4%

Analysis of Governmental Activities

Governmental activities decreased the County's net position by \$(3,013) to \$54,295. Revenues were unable to keep pace with operating expenditures due primarily to reduction in governmental revenues impacted by the COVID-19 pandemic.

Revenues

Total revenues for the County's Governmental Activities had an overall decrease from the prior year of \$(18,388), or 8.1%, to \$209,536. Revenues are divided into two categories: Program Revenues and General Revenues.

Program Revenues had an overall decrease of \$(27,622), or 15%, to \$151,706, from the prior year. As an arm of the State government, a significant portion of the charges for services and operating grants and contributions are tied to mandated programs such as welfare, health and behavioral health services. Total program revenues represent 72% of the County's funding for governmental activities.

- *Fees, fines and & charges for services* decreased \$(21,431), or 46.72%, to \$24,442.

- *Operating grants* (intergovernmental revenues) decreased \$(6,202), or 4.64%, to \$127,513.
- *Capital grants* (intergovernmental revenues) increased \$883, or 495%.

General Revenues had an overall increase of \$9,233, or 4%, to \$57,830, from the prior year. These revenues included general taxes which provided the Board of Supervisors with the most discretionary spending ability. Since the formation of California County government in the 1850’s, basic public safety services such as sheriff, fire, probation, and district attorney consume most of these resources. The increase in general revenues is due primarily to:

- *Sales and use tax* shrank \$(257), or 5.42%, to \$4,487.
- *Property taxes* increase 1,476, or 4.62%, to 33,442.
- *Franchise tax* increase \$154, or 12%, to \$1,417.

Expenses had an overall increase for all activities of \$1,564, or 0.74%, to \$212,976 from the prior year.

Analysis of Business-type Activities

The net position of business-type activities increased by \$880, or 48%, to \$2,715. For many years this enterprise activity has generated annual deficits, however, in the current year due to a large state grant the fund increase its net position. For example, capital grants of \$1,061, was 81% of total revenue. Although grant funding is regularly applied for and awarded due to the low per-capita income of the area residents, there is no guarantee that these funds will be received each year.

Financial Analysis of the County’s Fund Balance

Fund Balances (in thousands)

	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total		Total	
						2020	2019	Dollar Change	% Change
						2019 to 2020	2019 to 2020		
General Fund	\$ 2,468	\$ 69	\$ 9,645	\$ -	\$ 8,067	\$ 20,248	\$ 20,820	\$ (572)	(2.7%)
Major Funds									
Bi-County Behavioral Health	16	2,252	-	-	-	2,268	8,968	(6,700)	(74.7%)
Welfare	45	10,877	-	-	-	10,922	9,727	1,195	12.3%
Public Safety/Trial Courts	28	5,301	41	20	-	5,391	5,100	290	5.7%
Mental Health Services Act	-	12,512	-	-	-	12,512	10,512	1,999	19.0%
Public Safety Realignment	-	15,738	-	-	-	15,738	14,243	1,495	10.5%
Other Governmental Funds	18	31,025	4,724	14	-	35,780	30,972	4,808	15.5%
Total Fund Balances	<u>\$ 2,575</u>	<u>\$ 77,773</u>	<u>\$ 14,409</u>	<u>\$ 34</u>	<u>\$ 8,067</u>	<u>\$ 102,858</u>	<u>\$ 100,343</u>	<u>\$ 2,515</u>	<u>2.5%</u>

Governmental Funds

The focus of the County’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources (modified accrual basis of accounting). Such information is useful in assessing the County’s financing requirements. In particular, total fund balance less the nonspendable portion is a useful measure of a government’s resources available for spending at the end of the fiscal year.

At June 30, 2020, the County's Governmental Funds reported total fund balance of \$102,858, a \$2,515 increase in comparison with the prior year's total ending fund balances. The components of total fund balance are as follows (for more information see Note 12 – Fund Balance Classifications):

- *Nonspendable Fund Balance*, \$2,575, are amounts that are not spendable in form, or are legally or contractually required to be maintained intact and are made up of (1) long-term receivables of \$2,426 and (2) prepaid expenses of \$149.
- *Restricted Fund Balance*, \$77,773, consists of amounts with constraints put on their use by creditors, grantors, contributors, laws, regulations, or enabling legislation. Examples of restrictions on funds are those for (1) purpose of fund (i.e. flood control), (2) grants for capital outlay, and (3) legislated amounts reserved for healthcare.
- *Committed Fund Balance*, \$14,409, consists of amounts for specific purposes determined by the Board, which includes capital projects.
- *Unassigned Fund Balance*, \$8,067, represents the residual balance for the County's Governmental Funds.

Approximately 97%, or \$100,283 of the total fund balance is spendable which means it is available to meet the County's current and future needs provided that any external restrictions are met. With the approval of the Board, County management can earmark a portion of fund balance to a particular function, project or activity, and can also earmark it for purposes beyond the current year, within the constraints applied to the various categories of fund balance. With the exception of the nonspendable portion, fund balances are available for appropriation at any time.

General Fund

The General Fund is the main operating fund of the County. The General Fund's total fund balance decreased by (572), or 2.7%, to \$20,248 at June 30, 2020.

The spendable portion of fund balance decreased 17,780. The nonspendable portion of fund balance increased 2,468, to 3.0%.

As a measure of the General Fund's liquidity, it is useful to compare both total fund balance and spendable fund balance to total fund expenditures. Total fund balance equates to 72.7% of total General Fund expenditures while spendable fund balance equates to 63.8% of total General Fund expenditures. Of the General Fund spendable fund balance, \$69, or 0.4%, is restricted, \$9,645 or 54% is committed, -, or 0% is assigned and \$8,067, or 45% is unassigned.

Major Funds

The County has six other major governmental funds. The bi-county behavioral health fund has a total fund balance of \$2,268, the welfare fund of \$10,922, the public safety/trial courts fund of \$5,391, mental health services act fund of \$12,512, and public safety realignment fund of \$15,738 at the end of the year. The other governmental funds' fund balances decreased \$4,808, or 15.5%, to \$35,780. The five other major funds had changes in fund balances, including restatements, as follows: bi-county behavioral health fund of \$(6,700), welfare fund of \$1,195, public safety/trial courts of negative \$290, Mental Health Services Act fund of \$1,999, and public safety/realignment of \$1,495.

Proprietary Funds

The enterprise funds total net position, which consists of Waterworks District No. 1, increased \$880, or 48% from the prior year. Operating Revenues remained steady at 248, while operating expenses decreased 49% to 427. Operating deficits have been experienced over the past couple of years; \$113 in 2018 and \$565 in 2019. However, grant monies received in 2019-\$178 and 2020-\$1,061 were sufficient to cover the operating deficits and increased net position.

Accordingly, operating revenues may have to be raised, in the future to meet the operating expenses of the utility district.

Total internal service funds' net position increased by \$972, or 44%, and ended with a deficit balance of \$(1,256).

Capital Assets & Debt

Capital Assets

Capital Assets (net of depreciation, in thousands)

	Governmental		Business-Type		Total		Total	
	Activities		Activities		Total		Dollar Change	% Change
	2020	2019	2020	2019	2020	2019	2019 to 2020	2019 to 2020
Land	\$ 3,035	\$ 3,035	\$ 58	\$ 58	\$ 3,093	\$ 3,093	\$ -	0.0%
Easements	5	-	-	-	5	-	5	100.0%
Construction in Progress	33,265	30,202	1,044	103	34,309	30,305	4,004	13.2%
Capital assets, not being depreciated	36,305	33,237	1,102	161	37,407	33,398	4,009	12.0%
Land Improvements	33	36	-	-	33	36	(3)	-7.1%
Structures and improvements	26,834	27,230	1,379	1,540	28,214	28,770	(556)	-1.9%
Equipment	3,551	3,354	-	-	3,551	3,354	197	5.9%
Vehicles	3,396	2,815	-	-	3,396	2,815	581	20.6%
Infrastructure	29,769	29,055	-	-	29,769	29,055	714	2.5%
Software	108	280	-	-	108	280	(173)	-61.6%
Capital assets, net of accumulated depreciation	63,691	62,771	1,379	1,540	65,071	64,311	760	1.2%
Total	\$ 99,996	\$ 96,008	\$ 2,482	\$ 1,701	\$ 102,478	\$ 97,709	\$ 4,769	4.9%

During the fiscal year, the County's investment in capital assets, net of accumulated depreciation, increased by \$4,769 or 4.9% from the prior year. This investment was in a range of capital assets including construction in progress (CIP), equipment, and vehicles. Major capital asset additions include:

- a variety of vehicles
- \$431 for road maintenance equipment
- \$355 for a fire truck, and
- \$287 for election voting equipment

In addition to purchasing capital assets, the County constructs capital assets. If the asset has not been completed as of the end of the fiscal year, the costs incurred are added to Construction in Progress (CIP). Major additions to CIP include:

- \$1,534 for the Casa De Esperanza project
- \$1,470 for the health services building project, and
- \$941 for water meter infrastructure and improvements for Waterworks District #1

Additional capital asset information, including depreciation, amortization, and outstanding CIP as of June 30, 2020, can

be found in Note 5 of the Notes to the Financial Statements.

Debt

Outstanding Debt (in thousands)

	Governmental Activities		Business-Type Activities		Total		Total	
	2020	2019	2020	2019	2020	2019	Dollar Change	% Change
							2019 to 2020	2019 to 2020
Refinancing lease agreement	\$ -	\$ 195	\$ -	\$ -	\$ -	\$ 195	\$ (195)	-100.0%
Capital leases	7,264	7,135	148	180	7,412	7,315	97	1.3%
Loans payable	-	-	24	32	24	32	(8)	-24.0%
Total	\$ 7,264	\$ 7,330	\$ 172	\$ 212	\$ 7,436	\$ 7,542	\$ (106)	-1.4%

During the fiscal year, long-term debt outstanding decreased by \$(106), or 1.4% from the prior year. Total long-term debt outstanding was \$7,436 at June 30, 2020. This balance consists primarily of capital lease obligations; \$6,807 for solar panels and energy upgrades and \$604 for the use of dark fiber network cabling.

Additional lease and long-term debt information, including interest rates, future minimum lease payments, and outstanding balances as of June 30, 2020, can be found in Notes 6 and 7 of the Notes to the Financial Statements.

General Fund Budgetary Highlights

Over the course of the year, the Board of Supervisors revised the County’s budget. Each time a grant or specific revenue enhancement is made available to a county program that requires new appropriations a budget amendment is required. The County Administrators Office performs a mid-year review by analyzing each department’s expenditures and revenues.

Differences between the Adopted Budget and the Final Budget for the General Fund are summarized in the table below:

General Fund

	Adopted Budget	Final Budget	Variance	
			Amount	Percent
Total revenues	\$ 70,289	\$ 70,425	\$ 136	0.2%
Total expenditures	(60,352)	(32,014)	28,338	(47.0%)
Other financing sources (uses)	(7,626)	(37,489)	(29,863)	391.6%
Net change in fund balances	\$ 2,310	\$ 922	\$ (1,389)	(60.1%)

Differences between the Final Budget and actual amounts for the General Fund are summarized in the table below:

General Fund

	Final		Variance	
	Budget	Actual	Amount	Percent
Total revenues	\$ 70,425	\$ 60,709	\$ (9,716)	(13.8%)
Total expenditures	(32,014)	(27,870)	4,145	(12.9%)
Other financing sources (uses)	(37,489)	(33,411)	4,078	(10.9%)
Net change in fund balances	\$ 922	\$ (572)	\$ (1,494)	(162.1%)

Economic Factors and Next Year’s Budget and Rates

The following factors were considered in preparing the County’s operating budget for FY 2021:

General revenues include property taxes, fines, sales and use taxes, and other state revenues and miscellaneous taxes. For FY 2021, the County estimated an overall increase of \$2,500, or 5.5%, compared to the FY 2020 Adopted Budget. Of that increase, \$445 represents an overall increase in property, sales and other tax revenue.

The countywide Recommended Budget provides an increase in appropriations of \$1,128, or 0.3%, totaling \$374,030 compared to the FY 2020 Adopted Budget. Of that, General Fund appropriations fell \$5,104, or -7.1%, to \$67,014.

The State adopted a balanced and on-time budget that includes a spending plan of \$202.1 billion that strengthens emergency response, protect public health and safety, and promotes economic recovery while closing at \$54.3 billion budget shortfall caused by the COVID-19 recession. In January 2020, the State projected a surplus of \$5.6 billion but by the May revision, projected a deficit of \$54.3 billion resulting in a four-month swing of \$60.0 billion caused by the COVID-19 recession. The budget gap was closed through a variety of measures such as use of reserves, federal funding, and cancelled expansions.

The County’s FY 2021 Recommended Budget can be found at:

https://www.suttercounty.org/doc/government/depts/cao/cao_budget

Requests for Information

The financial report is designed to provide a general overview of the County’s finances for all interested parties. Questions concerning any of the information provided in this reports or requests for additional information should be addressed to Sutter County Auditor-Controller, 463 Second Street, Yuba City, CA 95991. The County’s Comprehensive Annual Financial Report can also be found on the County’s website.

Basic Financial Statements



COUNTY OF SUTTER
Statement of Net Position
June 30, 2020

	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and investments (Note 3)	\$ 90,844,402	\$ -	\$ 90,844,402
Cash with fiscal agent (Note 3)	9,814,717	-	9,814,717
Accounts receivable	1,931,155	1,049,391	2,980,546
Due from other governments	30,855,577	-	30,855,577
less allowance for doubtful accounts	(6,646,784)	(6,026)	(6,652,809)
Taxes receivable	599,628	-	599,629
Interest receivable	428,801	104	428,905
Prepaid expenses	131,345	-	131,345
Inventories	28,784	-	28,784
Loans receivable (Note 4)	3,227,941	-	3,227,941
Internal balances	630,835	(630,835)	-
Capital assets:			
Nondepreciable (Note 5)	36,304,772	1,102,348	37,407,120
Depreciable, net (Note 5)	63,691,329	1,379,401	65,070,729
Total Assets	<u>231,842,503</u>	<u>2,894,383</u>	<u>234,736,887</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred related to OPEB (Note 8)	685,758	-	685,758
Deferred related to pension (Note 8)	28,640,096	-	28,640,096
Total Deferred Outflows of Resources	<u>29,325,854</u>	<u>-</u>	<u>29,325,854</u>
LIABILITIES			
Accounts payable	5,670,600	5,211	5,675,811
Salaries and benefits payable	2,511,582	-	2,511,582
Interest payable	88,105	1,814	89,919
Deposits from others	209,648	-	209,648
Unearned revenue	239,972	134	240,105
Compensated absences (Note 16)	6,331,462	-	6,331,462
Leases payable (Note 6)	624,739	12,102	636,841
Loans payable (Note 7)	-	7,885	7,885
Long-Term Liabilities:			
Compensated absences	318,908	-	318,908
Claims reserve for liability insurance	1,275,536	-	1,275,536
Claims reserve for workers compensation	5,476,710	-	5,476,710
Leases payable (Note 6)	6,639,681	135,626	6,775,307
Loans payable (Note 7)	-	16,439	16,439
Total OPEB liability (Note 15)	11,444,031	-	11,444,031
Net pension liability (Note 14)	156,973,585	-	156,973,585
Total Liabilities	<u>197,804,560</u>	<u>179,212</u>	<u>197,983,771</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	-	-
Deferred related OPEB (Note 11)	4,229,916	-	4,229,916
Deferred related pension (Note 11)	4,839,224	-	4,839,224
Total Deferred Inflow of Resources	<u>\$ 9,069,141</u>	<u>\$ -</u>	<u>\$ 9,069,141</u>

COUNTY OF SUTTER
Statement of Net Position
June 30, 2020

	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
NET POSITION			
Net investment in capital assets	\$ 92,731,681	\$ 2,309,695	\$ 95,041,376
Restricted for (Note 13):			
Taxes and fees	2,542,351	-	2,542,351
General government	5,499,073	-	5,499,073
Public protection	22,068,703	-	22,068,703
Public ways and facilities	19,790,425	-	19,790,425
Health and social services	24,090,918	-	24,090,918
Public assistance	12,227,600	-	12,227,600
Other	1,246,566	-	1,246,566
Unrestricted	(125,902,658)	405,476	(125,497,182)
Total Net Position	<u>\$ 54,294,658</u>	<u>\$ 2,715,171</u>	<u>\$ 57,009,829</u>

COUNTY OF SUTTER
Statement of Activities
For the Year Ended June 30, 2020

Functions/Programs	Program Revenues			
	Direct Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 33,532,559	\$ 11,567,055	\$ 2,411,341	\$ -
Public protection	52,760,508	1,281,416	26,324,174	-
Public ways and facilities	11,073,156	220,163	9,409,453	-
Health and sanitation	59,592,972	3,927,210	51,341,444	-
Public assistance	52,451,410	7,163,082	37,666,409	-
Education	1,867,428	32,572	359,744	-
Recreation and culture	987,727	1,955	-	-
Interest on long-term debt	282,905	-	-	-
Total Governmental Activities	212,548,666	24,193,453	127,512,566	-
Business-Type Activities:				
Waterworks District #1	426,924	248,190	-	1,060,615
Total Business-type Activities	426,924	248,190	-	1,060,615
Total Primary Government	\$ 212,975,591	\$ 24,441,643	\$ 127,512,566	\$ 1,060,615

General Revenues:

Taxes:

Property taxes

Franchise taxes

Sales and use taxes

Transportation taxes

Transfer taxes

Other

Unrestricted interest and investment earnings

Tobacco settlement

Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning of Year, restated

Net Position - End of Year

Net (Expense) Revenue and
Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (19,554,163)	\$ -	\$ (19,554,163)
(25,154,918)	-	(25,154,918)
(1,443,540)	-	(1,443,540)
(4,324,319)	-	(4,324,319)
(7,621,919)	-	(7,621,919)
(1,475,113)	-	(1,475,113)
(985,772)	-	(985,772)
(282,905)	-	(282,905)
<u>(60,842,648)</u>	<u>-</u>	<u>(60,842,648)</u>
-	881,881	881,881
-	881,881	881,881
<u>(60,842,648)</u>	<u>881,881</u>	<u>(59,960,767)</u>
33,441,771	-	33,441,771
1,416,912	-	1,416,912
4,487,254	-	4,487,254
1,014,903	-	1,014,903
467,675	-	467,675
497,872	-	497,872
2,909,293	(4,985)	2,904,309
931,773	-	931,773
12,662,068	3,425	12,665,493
<u>57,829,522</u>	<u>(1,560)</u>	<u>57,827,962</u>
(3,013,126)	880,321	(2,132,805)
<u>57,307,784</u>	<u>1,834,850</u>	<u>59,142,634</u>
<u>\$ 54,294,658</u>	<u>\$ 2,715,171</u>	<u>\$ 57,009,829</u>

COUNTY OF SUTTER
Balance Sheet
Governmental Funds
June 30, 2020

	General	Bi-County Behavioral Health	Welfare	Public Safety/ Trial Courts
Assets				
Cash and investments	\$ 8,566,858	\$ 5,314,050	\$ 6,800,689	\$ 7,450,045
Cash with fiscal agent	3,139,814	-	-	-
Accounts receivable	417,426	130,704	17,027	32,631
Due from other governments	2,041,599	14,431,940	4,527,207	2,555,219
less allowance for doubtful accounts	-	(6,646,784)	-	-
Interest receivable	117,916	10,988	30,940	23,911
Taxes receivable	599,430	-	-	-
Due from other funds	5,340,092	2,954,729	9,158,266	2,583,987
Prepaid expenses	42,286	15,698	44,993	28,222
Inventory	-	-	-	-
Advances to other funds	2,250,245	-	-	-
Loans receivable	175,865	-	-	-
less allowance for doubtful accounts	-	-	-	-
Total Assets	\$ 22,691,531	\$ 16,211,325	\$ 20,579,121	\$ 12,674,015
Liabilities				
Accounts payable	\$ 699,394	\$ 1,775,084	\$ 205,114	\$ 772,393
Salaries and benefits payable	539,384	639,780	217,216	687,409
Deposits from others	38,486	-	2	604
Due to other funds	218,247	231,503	7,852,873	5,666,754
Advances from other funds	-	3,378,649	-	-
Unearned revenue	11,992	-	-	-
Total Liabilities	1,507,503	6,025,015	8,275,204	7,127,159
Deferred Inflows of Resources				
Unavailable revenue	935,662	7,918,620	1,381,660	156,332
Fund Balances (Note 12)				
Nonspendable	2,468,396	15,698	44,993	28,222
Restricted	68,534	2,251,992	10,877,263	5,301,234
Committed	9,644,634	-	-	41,192
Assigned	-	-	-	19,875
Unassigned	8,066,801	-	-	-
Total Fund Balances	20,248,365	2,267,690	10,922,256	5,390,523
Total Liabilities, Deferred Inflows Resources and Fund Balances	\$ 22,691,531	\$ 16,211,325	\$ 20,579,121	\$ 12,674,015

Mental Health Services Act	Public Safety Realignment	Other Governmental	Total	
\$ 8,712,711	\$ 16,991,577	\$ 35,397,913	\$ 89,233,843	Assets
500	-	-	3,140,314	Cash and investments
-	0	1,313,670	1,911,459	Cash with fiscal agent
844,016	3,904,762	2,550,834	30,855,577	Accounts receivable
-	-	-	(6,646,784)	Due from other governments
41,370	75,310	125,205	425,640	less allowance for doubtful
-	-	199	599,628	Interest receivable
2,166	1,248,714	1,609,778	22,897,731	Taxes receivable
-	-	146	131,345	Due from other funds
-	-	17,586	17,586	Prepaid expenses
2,333,213	-	-	4,583,457	Inventory
874,458	-	1,927,617	2,977,941	Advances to other funds
-	-	-	-	Loans receivable
				less allowance for doubtful
<u>\$ 12,808,435</u>	<u>\$ 22,220,363</u>	<u>\$ 42,942,948</u>	<u>\$ 150,127,738</u>	Total Assets
				Liabilities
\$ 2,074	\$ 17,056	\$ 2,139,233	\$ 5,610,347	Accounts payable
-	-	351,440	2,435,228	Salaries and benefits payable
-	-	170,556	209,648	Deposits from others
294,600	5,886,857	2,081,980	22,232,815	Due to other funds
-	-	1,079,809	4,458,457	Advances from other funds
-	-	208,545	220,537	Unearned revenue
<u>296,674</u>	<u>5,903,913</u>	<u>6,031,563</u>	<u>35,167,033</u>	Total Liabilities
				Deferred Inflows of Resources
-	578,894	1,131,325	12,102,494	Unavailable revenue
				Fund Balances (Note 12)
-	-	17,732	2,575,040	Nonspendable
12,511,760	15,737,556	31,024,794	77,773,135	Restricted
-	-	4,723,645	14,409,472	Committed
-	-	13,890	33,765	Assigned
-	-	-	8,066,801	Unassigned
<u>12,511,760</u>	<u>15,737,556</u>	<u>35,780,061</u>	<u>102,858,212</u>	Total Fund Balances
<u>\$ 12,808,435</u>	<u>\$ 22,220,363</u>	<u>\$ 42,942,949</u>	<u>\$ 150,127,739</u>	Total Liabilities, Deferred Inflows of Resources and Fund Balances

COUNTY OF SUTTER
 Reconciliation of the Governmental Funds Balance Sheet
 to the Government-Wide Statement of Net Position - Governmental Activities
 June 30, 2020

Fund Balance - total governmental funds (pages 30-31)		\$ 102,858,212
Amounts reported for governmental activities in the statement of net position are different because:		
Deferred OPEB and pension outflows of resources in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		28,649,490
Deferred OPEB and pension inflows of resources in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		(8,904,722)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds balance sheets.		99,312,344
Accrued revenue, which is not available soon enough to pay for the current period's expenditures, is recorded as unavailable revenue in the governmental funds.		12,102,494
Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not accrued as a liability in the governmental funds.		(86,428)
Long-term liabilities, including capital leases, are not due and payable in the current period, and therefore are not reported in the governmental funds.		
Capital lease	(7,113,483)	
Compensated absences	(6,389,133)	
Total OPEB liability	(11,194,369)	
Net pension liability	<u>(153,684,198)</u>	
		(178,381,183)
Internal service funds are used by the County to charge the cost of its self-insurance risk management and management of fleet maintenance and information technology to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		<u>(1,255,548)</u>
Net position of governmental activities (page 26)		<u>\$ 54,294,658</u>



COUNTY OF SUTTER
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2020

	General	Bi-County Behavioral Health	Welfare	Public Safety/ Trial Courts
Revenues:				
Taxes	\$ 34,948,246	\$ -	\$ -	\$ 17,555
Licenses and permits	2,308,345	-	1,386	18,221
Fines, forfeitures and penalties	73,159	10,849	-	922,003
Use of money and property	1,036,720	138,518	137,016	128,197
Intergovernmental	7,242,600	9,889,795	40,271,507	12,352,943
Charges for services	13,931,250	1,298,471	192,179	1,008,914
Other revenues	1,168,450	9,326,482	16,396	724,593
Total Revenues	60,708,769	20,664,114	40,618,484	15,172,425
Expenditures:				
Current:				
General government	15,597,231	-	-	-
Public protection	8,711,199	-	-	42,167,848
Public ways and facilities	174,936	-	-	-
Health and sanitation	-	45,446,512	-	-
Public assistance	156,296	-	50,892,657	-
Education	1,824,607	-	-	-
Recreation and culture	938,429	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	55,797	-	-
Capital outlay	466,847	67,586	29,636	1,331,843
Total Expenditures	27,869,544	45,569,895	50,922,294	43,499,691
Excess (Deficiency) of Revenues Over (Under) Expenditures	32,839,226	(24,905,781)	(10,303,810)	(28,327,265)
Other Financing Sources (Uses):				
Transfers in	103,818	23,573,278	19,955,236	40,181,358
Transfers out	(33,514,964)	(4,103,355)	(9,720,675)	(11,563,870)
Proceeds from issuance from capital lease	-	-	-	-
Total Other Financing Sources (Uses)	(33,411,146)	19,469,923	10,234,561	28,617,488
Net Changes in Fund Balances	(571,921)	(5,435,858)	(69,249)	290,223
Fund Balances, Beginning of Year, restated	20,820,285	7,703,548	10,991,506	5,100,301
Fund Balances, End of Year	\$ 20,248,364	\$ 2,267,690	\$ 10,922,256	\$ 5,390,523

Mental Health Services Act	Public Safety Realignment	Other Governmental	Total	
\$ -	\$ -	\$ 4,943,675	\$ 39,909,475	Revenues:
-	-	390,518	2,718,470	Taxes
-	-	138,912	1,144,924	Licenses and permits
278,044	410,978	753,258	2,882,731	Fines, forfeitures and penalties
8,096,086	29,827,499	19,530,494	127,210,924	Use of money and property
-	1,415,163	3,571,125	21,417,101	Intergovernmental
-	-	1,470,778	12,706,698	Charges for services
8,374,129	31,653,640	30,798,759	207,990,322	Other revenues
				Total Revenues
				Expenditures:
				Current:
-	-	4,024,999	19,622,230	General government
-	37,765	6,584,770	57,501,582	Public protection
-	-	9,162,765	9,337,701	Public ways and facilities
14,947	-	13,064,858	58,526,317	Health and sanitation
-	-	2,157	51,051,110	Public assistance
-	-	276	1,824,883	Education
-	-	2,917	941,345	Recreation and culture
-	-	655,328	655,328	Debt Service:
-	-	237,266	293,063	Principal
-	-	4,430,143	6,326,054	Interest
14,947	37,765	38,165,479	206,079,615	Capital outlay
				Total Expenditures
8,359,183	31,615,875	(7,366,720)	1,910,707	Excess (Deficiency) of Revenues Over (Under) Expenditures
2,273,307	11,166,734	16,564,090	113,817,822	Other Financing Sources (Uses):
(8,633,042)	(41,287,947)	(4,993,799)	(113,817,653)	Transfers in
-	-	604,079	604,079	Transfers out
(6,359,735)	(30,121,213)	12,174,369	604,247	Proceeds from issuance from capital lease
1,999,448	1,494,662	4,807,649	2,514,954	Total Other Financing Sources (Uses)
10,512,313	14,242,894	30,972,412	100,343,258	Net Changes in Fund Balances
\$ 12,511,760	\$ 15,737,556	\$ 35,780,061	\$ 102,858,212	Fund Balances, Beg. of Year, As Restated
				Fund Balances, End of Year

COUNTY OF SUTTER
 Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances of Governmental Funds to the
 Government-Wide Statement of Activities - Governmental Activities
 For the Year Ended June 30, 2020

Net change to fund balance - total governmental funds (pages 33-34)	\$	2,514,954
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Expenditures for general capital assets, infrastructure, and other related capital assets adjustments	9,941,299	
Less: current year depreciation	<u>(6,017,011)</u>	3,924,288
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.</p>		
		15,279
<p>Issuance of long-term notes receivables are reported as expenditures. However, in statement of activities, this is not reported as an expenditure.</p>		
		250,000
<p>Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
<p>Principal repayments:</p>		
Interest payments	10,158	
Capital leases	<u>663,194</u>	673,352
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Change in compensated absences		(459,354)
Change in OPEB liability and deferred OPEB inflows/outflows		(386,451)
Change in net pension liability and deferred pension inflows/outflows		(10,517,637)
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.</p>		
		<u>972,443</u>
Change in net position of governmental activities (pages 28-29)	\$	<u><u>(3,013,126)</u></u>

COUNTY OF SUTTER
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-Type Activities <u>Enterprise Fund</u>	Governmental Activities <u>Internal Service Funds</u>
	Waterworks District No. 1	
ASSETS		
Current Assets:		
Cash and investments	\$ -	\$ 1,610,559
Cash with fiscal agent	-	6,674,403
Accounts receivable	1,049,391	19,696
less allowance for doubtful accounts	(6,026)	-
Interest receivable	104	3,161
Due from other funds	-	-
Prepaid expenses	-	-
Inventory	-	11,198
Total Current Assets	<u>1,043,470</u>	<u>8,319,017</u>
Noncurrent Assets:		
Capital assets:		
Non-depreciable	1,102,348	237,282
Depreciable, net	1,379,401	696,476
Total Noncurrent Assets	<u>2,481,748</u>	<u>933,758</u>
Total Assets	<u>3,525,218</u>	<u>9,252,776</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred related to pension	-	661,404
Deferred related to OPEB	-	14,960
Total Deferred Outflows of Resources	<u>-</u>	<u>676,365</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	5,211	60,253
Salaries and benefits payable	-	76,354
Due to other funds	630,835	34,082
Capital lease payable	12,102	10,810
Compensated absences payable	-	248,709
Loan payable	7,885	-
Interest payable	1,814	1,678
Unearned revenue	134	19,434
Total Current Liabilities	<u>657,981</u>	<u>451,321</u>
Long-Term Liabilities:		
Compensated absences payable	-	12,527
Advance from other funds	-	125,000
Capital lease payable	135,626	140,127
Claims payable	-	6,752,246
Loan payable	16,439	-
Net pension liability	-	3,289,388
Net OPEB liability	-	249,662
Total Long-Term Liabilities	<u>152,066</u>	<u>10,568,949</u>
Total Liabilities	<u>810,046</u>	<u>11,020,270</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred related to pension	-	72,139
Deferred related to OPEB	-	92,279
Total Deferred Inflows of Resources	<u>-</u>	<u>164,418</u>
NET POSITION		
Net investment in capital assets	2,309,695	782,821
Unrestricted	405,476	(2,038,369)
Total Net Position	<u>\$ 2,715,171</u>	<u>\$ (1,255,548)</u>

COUNTY OF SUTTER
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2020

	Business-Type Activities	Governmental Activities
	Enterprise Fund	
	Waterworks District No. 1	Internal Service Funds
Operating Revenues:		
Charges for services	\$ 248,190	\$ 10,355,591
Other revenues	3,425	154,588
Total Operating Revenues	<u>251,615</u>	<u>10,510,178</u>
Operating Expenses:		
Salaries and benefits	-	3,004,631
Services and supplies	220,007	5,257,273
Other charges	-	1,101,779
Depreciation	164,376	150,406
Total Operating Expenses	<u>384,384</u>	<u>9,514,089</u>
Operating Income (Loss)	<u>(132,768)</u>	<u>996,090</u>
Non-Operating Revenue (Expenses):		
Investment income	(4,985)	26,563
Loss on disposal of capital assets	-	(50,042)
Interest expense	(35,321)	-
Fines and penalties	(7,220)	-
Total Non-Operating Revenue (Expenses)	<u>(47,526)</u>	<u>(23,479)</u>
Net Income (Loss) Before Capital Contributions and Transfers	(180,294)	972,611
Capital contributions	1,060,615	-
Transfers in	-	-
Transfers out	-	(168)
Change in Net Position	880,321	972,443
Net Position - Beginning of Year	<u>1,834,850</u>	<u>(2,227,991)</u>
Net Position - End of Year	<u>\$ 2,715,171</u>	<u>\$ (1,255,548)</u>

COUNTY OF SUTTER
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020

	Business-Type Activities	Governmental Activities
	Enterprise Fund	
	Waterworks District No. 1	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash receipts from customers	\$ 325,833	\$ 10,432,279
Cash paid to suppliers for goods and services	(313,641)	(5,944,276)
Cash paid to employees for services	-	(2,859,942)
Net Cash Provided (Used) by Operating Activities	12,192	1,628,060
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Interfund loans received (paid)	(13,078)	165,559
Miscellaneous cash received (paid)	-	(18,598)
Net Cash Provided (Used) by Noncapital Financing Activities	(13,078)	146,961
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital contributions	778,286	-
Principal payments on capital leases	(36,071)	(6,773)
Proceeds from issuance of capital lease	3,659	-
Payments related to the acquisition of capital assets	(945,288)	(264,552)
Payment of long-term debt	(7,670)	-
Interest payments	(35,462)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(242,548)	(271,325)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received (paid)	(3,465)	24,043
Net Cash Provided (Used) by Investing Activities	(3,465)	24,043
Net Increase (Decrease) in Cash and Cash Equivalents	(246,898)	1,527,739
Cash and Cash Equivalents, Beginning of Year	246,898	6,757,223
Cash and Cash Equivalents, End of Year	\$ -	\$ 8,284,962

continued

COUNTY OF SUTTER
Statement of Cash Flows (continued)
Proprietary Funds
For the Year Ended June 30, 2020

	Business-Type Activities	Governmental Activities
	Enterprise Fund	
	Waterworks District No. 1	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	\$ (132,769)	\$ 996,090
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	164,376	150,406
Loss on disposal of capital assets	-	-
Changes in assets, liabilities and deferred (Increase) decrease in:		
Accounts receivable	880	11,479
Deposits and prepaid expenses	-	13,649
Inventory	-	1,563
Increase (decrease) in:		
Accounts payable	(42,797)	(14,257)
Salaries and benefits payable	-	10,245
Compensated absences payable	-	21,525
Claims liability	-	448,626
Interest payable	-	839
Unavailable/deferred revenue	-	26,055
Other liabilities	38,755	(150,989)
Net pension liability	(15,374)	146,155
Net OPEB liability	-	(33,326)
Unearned revenue	(880)	-
Net Cash Provided (Used) by Operating Activities	\$ 12,192	\$ 1,628,061

COUNTY OF SUTTER
Statement of Fiduciary Net Position
June 30, 2020

	Private-Purpose Trust Funds	Investment Trust Fund	Agency Funds
Assets			
Cash and investments	\$ 84,573	\$ 117,385,081	\$ 8,639,037
Cash with fiscal agent	-	-	-
Accounts receivable	-	387,495	1,364,507
Due From Other Governments	-	-	-
Interest receivable	2	513,366	805,262
Prepaid Expenses	-	314,421	-
Inventory	-	334,146	-
Amount to be provided Debt Service	-	76	-
Taxes receivable	-	685,779	9,403,754
Other assets	3,272	-	50,477
	<hr/>	<hr/>	<hr/>
Total Assets	87,846	119,620,364	20,263,037
Liabilities			
Accounts payable	-	1,554,178	7,832,910
Accrued salaries and benefits	-	36,994	-
Unearned revenues	-	151,084	908
Loans payable	-	197,187	-
Deposits payable	83,651	-	-
Agency funds held for others	2,840	-	12,429,218
	<hr/>	<hr/>	<hr/>
Total Liabilities	86,491	1,939,443	<u>\$ 20,263,037</u>
Net position			
Net position held in trust	<hr/> 1,355	<hr/> 117,680,921	
	<hr/>	<hr/>	
Total Net Position	<u>\$ 1,355</u>	<u>\$ 117,680,921</u>	

COUNTY OF SUTTER
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2020

	Private-Purpose Trust Funds	Investment Trust Funds
Additions		
Contributions to pooled investments	\$ -	\$ 1,424,557
Interest and Investment income	591	666,220
Total Additions	591	2,090,776
Deductions		
Distributions from pooled investments	16,892	27,878,412
Total Deductions	16,892	27,878,412
Change in net position	(16,301)	(25,787,636)
Net Position - Beginning of Year, restated	17,656	143,468,557
Net Position - End of Year	<u>\$ 1,355</u>	<u>\$ 117,680,921</u>



**Notes to the
Financial Statements**



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1. FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

Reporting Entity

The County operates under an Administrator-Board of Supervisors form of government and provides various services on a countywide basis including public safety, highway and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The County defines its reporting entity in accordance with accounting principles generally accepted in the United States of America (GAAP), which provides guidance for determining which governmental activities, organizations and functions should be included in the reporting entity. The accompanying financial statements present information on the activities of the reporting entity, including all fund types of the County (the primary government) and its component units.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units; although legally separate entities, are in substance part of the County's operations and, therefore, data from these units is combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the County's basic financial statements include all financial activities of the following special districts as blended component units because their Board of Directors is composed of the same members as the County's board. These component units have not issued separate financial statements.

Discretely Presented Component Units

There are no component units of the county which meet the criteria for discrete presentation.

Blended Component Units

The blended component units' governing bodies are substantially the same as the governing body of the primary government. Component units that are blended into the reporting activity types of the County's report are presented below:

Special Assessment Districts – The assessment districts are separate legal entities formed to provide various services within the County.

Lighting Districts – The lighting districts are separate legal entities formed to provide lighting services within the County.

Landscape Districts – The landscape districts are separate legal entities formed to provide landscape services within the County.

The accompanying financial statements include an Investment Trust Fund that holds assets of numerous self-governed school and special districts for which the County Treasurer-Tax Collector acts as custodian. The financial

reporting for these governmental entities, which are independent of the County, is limited to the total amount of cash and investments, and other assets, and the related fiduciary responsibility of the County for disbursement of these assets. The County Auditor-Controller makes disbursements upon the request of the special district officers. Activities of the school and special districts are administered by separate boards and are independent of the County Board of Supervisors. The County Board of Supervisors has no effective authority to govern, manage, approve budgets, assume financial accountability, establish revenue limits, or to appropriate surplus funds available in these entities. Sutter County Schools do not issue independent audited financial statements but report directly to the California Department of Education. The individual Sutter County Special Districts do have independent audited financial statements. Individuals interested in obtaining a copy of a district's report should contact the district directly.

The accompanying financial statements also include six different private purpose trust funds. These funds are mostly comprised of monies held on behalf of citizens by order of the courts until such time the courts release the monies. The County Board of Supervisors has no effective authority to govern, manage, assume financial accountability, or to appropriate surplus funds available in these entities.

New Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) Statements have been implemented in the current financial statements:

Statement No. 88
Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements

This statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash or other assets that may be used in lieu of cash in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. This statement defines direct borrowings and direct placements as having terms negotiated directly with the investor or lender and are not offered for public sale. For notes to financial statements related to debt, this statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt.

Statement No. 95
Postponement of the Effective Dates of Certain Authoritative Guidance

This Statement extends the effective dates of certain accounting and financial reporting provisions in Statements and Implementation Guides that were first effective for reporting periods beginning after June 15, 2018. The requirements of this Statement apply to the financial statements of all state and local governments.

Financial Statements

In accordance with GASB Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments," the financial statements consist of the following:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the financial statements.

Government-wide Financial Statements

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities and report information on all of the nonfiduciary activities of the primary government and its component units. Generally, the effect of interfund intra-function activity has been eliminated from the government-wide financial statements. All internal balances in the Statement of Net Position that have been eliminated, except for those representing balances between the governmental activities and the business-type activities, are presented as internal balances and eliminated in the total government column.

The Statement of Activities presents functional revenue and expenses of governmental activities and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the Statement of Activities, internal service funds' revenue and expenses related to interfund services have been eliminated. Revenue and expenses related to services provided to external customers have not been eliminated and are presented within governmental activities.

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and recreation and culture. The business-type activities of the County include water and sewer services of the Robbins community.

The Statement of Activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the County's business-type activities and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods and services offered by the program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the county of meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of that individual governmental fund or enterprise fund are at least 10% of the corresponding total for all funds of that category or type; and
- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

Basis of Accounting and Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants, and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

For the governmental funds financial statements, the County considers all revenues susceptible to accrual and recognizes revenue if the accrual criteria are met. Specifically, sales taxes, franchise taxes, licenses, interest, special assessments, charges for services and other miscellaneous revenue are all considered to be susceptible to accrual, and have been recognized as revenue in the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All expenditure-driven grants are recorded at the time of receipt or earlier. If qualifying expenditures have been incurred and all other requirements are met, except for the timing requirement, a deferred inflow of resources is reported until time requirements have passed.

The accounts of the County are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

In accordance with GAAP the County reports on each major governmental fund. By definition, the general fund is always considered a major fund. Governmental funds other than the general fund must be reported as major funds if they meet both the ten percent and five percent criterion, defined respectively, 1) An individual governmental fund reports at least ten percent of any of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund revenues, or d) total governmental fund expenditures; 2) an individual governmental fund reports at least five percent of the aggregated total for both governmental funds and enterprise funds of any one of the items for which it met the ten percent criterion. In addition, a fund may be reported as

major if it is believed to be of particular importance to financial statement users.

The County reports the following major governmental funds:

- The **General Fund** is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as general government, public protection, public assistance, education, public ways and facilities, and culture and recreation services.
- The **Bi-County Behavioral Health Fund** is a special revenue fund used to account for revenues and expenditures for mental health activities.
- The **Welfare Fund** is a special revenue fund used to account for revenues and expenditures for social welfare programs.
- The **Public Safety/Trial Courts Fund** is a special revenue fund used to account for revenues and expenditures for public safety programs.
- The **Mental Health Services Act Fund** is a special revenue fund used to account for revenues and expenditures for Proposition 63, the Mental Health Services Act.
- The **Public Safety Realignment Fund** is a special revenue fund used to account for the realignment of revenues and expenditures for public safety programs.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services.

Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County reports the following proprietary funds:

- An Enterprise Fund accounts for Water Works District No. 1 activities related to the provision of water services.
- Internal Service Funds account for the County's fleet maintenance, information technology, employee wellness, and self-insurance programs which provide services to other departments on a cost reimbursement basis.

Fiduciary funds include private purpose trust, investment trust and agency funds. All investment trust funds employ the same economic resources measurement focus and accrual basis of accounting as do proprietary funds. Agency funds, however, are unlike all other types of funds, reporting only assets and liabilities. So agency funds cannot be said to have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables.

The County reports the following fiduciary funds:

- The Private-Purpose Trust Funds account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments such as escheat property.
- The Investment Trust Funds account for the assets of legally separate entities that deposit cash with the County Treasurer. The entities include school and community college districts, other special districts governed by local boards, regional boards and authorities, and pass-through funds for tax collections for cities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.
- The Agency Funds account for assets held by the County in a custodial capacity on behalf of various local governments and individuals.

Cash and Cash Equivalents

For purposes of the accompanying Statement of Cash Flows, the enterprise and internal service funds consider their equity in the County Treasurer's Investment pool along with all highly liquid investments having a maturity of three months or less at the time of purchase to be cash equivalents.

The Treasurer's Investment pool is not registered as an investment company with the Securities and Exchange Commission (SEC) nor is it an SEC Rule 2a7-like pool. California Code statutes and the County Treasury Oversight Committee set forth the various investment policies that the County Treasurer must follow.

Investments

The County sponsors an investment pool that is managed by the County Treasurer. The Treasurer invests on behalf of most funds of the County and external participants in accordance with the California State Government Code and the County's investment policy. State statutes authorize the County to invest its cash surplus in obligations of the U.S. Treasury, agencies and instrumentalities, corporate bonds, medium term notes, bankers' acceptance, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund.

Investment transactions are recorded on the trade date at cost. The fair value represents the amount the County could reasonably expect to receive for an investment in a current sale between a willing buyer and seller. Short term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amount which reasonably estimates fair value. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Amortized premiums and accreted discounts, accrued interest, and realized gains and losses, net of expenses, are apportioned to pool participants every quarter. This method differs from the fair value method used to value investments in these financial statements, as unrealized gains or losses are not apportioned to pool participants.

During the fiscal year ended June 30, 2020, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

Income from pooled investments is allocated to the individual funds or external participants based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Interest income earned in agency funds where there are no interest earnings requirements are assigned to the General Fund per County Policy. Income from non-pooled investments is recorded based on the specific investments held by the fund. The interest income is recorded in the fund that earned the interest.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include taxes, grants, and interest. Business-type activities report user fees and interest earnings as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accounts such as taxes, grants, interest, and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual basis of accounting, but not deferred in the government-wide financial statements in accordance with the full accrual basis of accounting. Interest and investment earnings are included in the current fiscal year if they are collected within 60 days of fiscal year end.

Proprietary fund major receivables consist of all revenues earned at year-end and not yet received. User fee receivable and interest earnings compose the majority of proprietary fund receivables. Allowance for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

- Loans reported as receivables and payables are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.
- Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and, therefore, are not eliminated in the process of preparing the government-wide Statement of Activities.
- Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are treated as an adjustment to expenditures or expenses; that is, a corresponding increase in expenditures or expenses in the reimbursing fund and a corresponding decrease in expenditures or expenses in the reimbursed fund.

- All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

Inventory and Prepaid Expenses

Inventories are stated at cost (first-in, first-out basis) for governmental funds and proprietary funds. Inventory recorded by governmental funds includes expendable supplies held for consumption. Governmental fund inventories are recorded as expenditures at the time the inventory is consumed. Reported inventories of governmental funds are equally offset by a fund balance reservation to indicate that portion of fund balance not available for future appropriation. Certain payments to vendors reflect costs applicable to future accounting periods and are therefore considered prepaid expenses.

Loans Receivable

Loans receivable are comprised of mortgage subsidies and long-term loans to other agencies.

Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks, water, sewer, and similar items). Capital assets are defined by the County as equipment with a cost of \$5,000 or more, structures and improvements with a cost of \$150,000 or more, and all land regardless of cost. Equipment reported in the financial statements is at actual historical cost. Structures and improvements and land are reported at actual cost when available or estimated historical cost. Estimated historical cost was arrived at by a variety of methods including the use of factors and comparative sales. Infrastructure assets, including bridges and roads, are reported at estimated historical cost.

Estimated historical cost for bridges was arrived at by developing a listing of all bridges constructed after 1980 and multiplying total square footage by the average cost per square foot and the price level factor for the Price Trends for Federal-Aid Highway Construction. Estimated historical cost for roads was arrived at by multiplying the number of land-miles constructed since 1980 for asphalt with curb and gutter by the average cost per lane-mile and the price level factor from the Price Trends for Federal-Aid Highway Construction. The county has determined the cost of gravel and dirt roads to be minimal and has elected not to capitalize these road types. Contributed capital assets are recorded at estimated fair market value at the date of donation.

Capital assets that are used in governmental fund operations are reported in the government-wide financial statements. Property, plant, equipment and infrastructure are accounted for as capital assets. In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Capital assets used in the proprietary fund operations are reported on their respective propriety statement of net position. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	5-25 years
Software	3-10 years
Structures and improvements	5-50 years
Infrastructure	30-50 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Unearned Revenue

Under both the accrual and modified accrual basis of accounting, revenues are recognized only when earned. Thus, the government-wide statement of net position, governmental funds, and enterprise funds defer revenue recognition for resources that have been received at year-end, but not yet earned. Assets recognized before the earning process is complete are offset by a corresponding liability as unearned revenues.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The County has deferred outflows of resources related to pensions and other post-employment benefits.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has deferred inflows of resources related to unavailable revenues report under the modified accrual basis of accounting in the governmental funds balance sheet and related to pensions and OPEB in its government-wide statements.

The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

The County's policy regarding compensated absences is to permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as a debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the governmental fund financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature. In the proprietary funds the accrued compensated absences is recorded as an expense and related liability in the year earned. The County includes its share of social security and medicare taxes payable on behalf of the employees in the accrual for compensated absences.

Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of loans payable and capital leases payable.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

Fund Balances/Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as follows:

- Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets
- Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations or other governments; (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other net position that do not meet the definition of “restricted” or “investment in capital assets.”

When both restricted and unrestricted net position are available, restricted resources are depleted first before the restricted resources are used.

Under GASB Statement No. 54, governmental fund balance is reported in classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

- Nonspendable – This component includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted – This component includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of the resource providers.
- Committed – This component includes amount that can only be used for the specific purposes determined by a formal action of the County’s Board of Supervisors taking the same formal action that imposed the

constraint originally.

- Assigned – This component comprises amounts intended to be used for specific purposes that are neither restricted nor committed. Intent is expressed by (a) the County’s Board of Supervisors or (b) a body (for example: a budget or finance committee) or official to which the County’s Board of Supervisors has delegated the authority to assign amounts to be used for specific purposes.
- Unassigned – This classification represents amounts that have not been restricted, committed or assigned to specific purposes within the general fund.

When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the County’s policy to use committed resources first, then assigned, and then unassigned as they are needed.

Fund Balance/Net Position Deficit

The following funds had deficit fund balances at June 30, 2020:

	Deficit Amount
General Liability	\$ 121,575
Fleet Management	232,727
Information Technology	1,027,232
Employee Wellness	137,088

The deficits in these funds are expected to be eliminated through future years’ revenues.

Property Tax Levy, Collection and Maximum Rates

The State of California’s (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1% of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100% of market, value, as defined by Article XIII A; and may be adjusted by no more than 2% per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1% tax levy among the County, cities, school districts, and other districts.

The County of Sutter assesses properties and bills for and collects property taxes as follows:

	Secured	Unsecured
Valuation/lien dates	January 1	January 1
Levy dates	October 1	July 1
Due Dates	November 1 (1 st installment) February 1 (2 nd installment)	July 1
Delinquent dates	Dec. 10 (1 st installment) April 10 (2 nd installment)	August 31

The term “unsecured” refers to taxes on personal property other than land and buildings. These taxes are secured by liens on the personal property being taxed. Property tax revenues are recognized in the fiscal year for which they are levied, provided they are due and collected within sixty days after fiscal year-end.

The County apportions secured property tax revenue in accordance with the alternate methods of distribution, the “Teeter Plan,” as prescribed in Section 4717 of the California Revenue and Taxation code. Under this method of apportionment, penalties and interest collected on delinquent secured taxes are required to be held in trust in the Tax Loss Reserve Fund (TLRF). The primary purpose of TLRF is to cover losses that may occur as a result of special sales of tax-defaulted property.

The County has elected to follow the procedures authorized by Revenue and Taxation Code 4703.2 which requires that the tax losses reserve fund shall be maintained at not less than 25 percent of the local delinquent secured taxes and assessments for participating entities in the County as calculated at the end of the fiscal year. The net balance in the TLRF was \$661,781 at June 30, 2020. The County’s management believes that any ownership rights to the TLRF the County may have are effective only upon a Board approved transfer or to the extent of losses related to the sale of tax defaulted property. Amounts in the TLRF are considered to be held in a custodial capacity for the participants in the County’s Teeter Plan and accounted for in an agency fund.

Grant Revenues

Certain grant revenues are recognized when specific related expenditures have been incurred. In other grant programs, monies are virtually unrestricted as to purpose of expenditures and are only revocable for failure to comply with prescribed compliance requirements. These revenues are recognized at the time of receipt, or earlier if susceptible to accrual criteria is met. Cash received prior to incurrence of the related expenditure is recorded as unearned revenue.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, governmental fund report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources. Expenditure/expenses are classified as follows:

- Government Funds – By Character
 - Current (further classified by function)
 - Debt Service
 - Capital Outlay
- Proprietary Fund – By Operating and Nonoperating

Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Gann Spending Limitation

Under Article XIII B of the California Constitution (the Gann spending Limitation), the County is restricted as to the amount of annual appropriations from proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates, revised fee schedules or other refund arrangements. The allowed appropriations for the Gann Limit for the fiscal year ended June 30, 2020 were \$242,284,939. The appropriations subject to this limit were \$40,962,891, which is \$201,322,048 below the appropriations limit. Accordingly, the appropriations subject to this legal restriction were only 16.9% of the maximum allowed by law.

3. CASH AND INVESTMENTS

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. The investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by California Government Code Section 53635 and by the County’s investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield and public trust. The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6, § 27131 of California Government Code. The oversight committee and the Board of Supervisors reviews and approves the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the type of investment in the pool, maturity dates, par value, actual cost and fair value.

The County sponsored investment pool includes both internal and external participants. The portion of the pool attributable to external pool participants, which are considered involuntary participants, are included in the primary government as an Investment Trust Fund which does not have separate financial reports. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer.

At June 30, 2020, total County cash and investments were as follows:

<i>Cash:</i>	
Cash on hand	\$ 3,380
Bank deposits	11,244,762
Outstanding warrants	<u>(5,861,152)</u>
Total Cash	<u>5,386,991</u>
 <i>Investments:</i>	
Investment pool	211,566,101
External to investment pool	<u>9,814,717</u>
Total investments	<u>221,380,818</u>
 Total cash and investments	 <u><u>\$ 226,767,809</u></u>

Total cash and investments at June 30, 2020 were presented on the County’s financial statements as follows:

Primary government	\$ 100,659,119
Investment trust fund	117,385,081
Private purpose trust funds	84,573
Agency fund	<u>8,639,037</u>
 Total	 <u><u>\$ 226,767,809</u></u>

Investments

The table below identifies the investment types that are authorized for the County by California Government Code Section 53635 or the County’s investment policy, where more restrictive. The table also identifies certain provisions of the County’s investment policy that address interest rate risk, credit risk, and concentration risk. The

County annually adopts a “Statement of Investment Policy.” The policy is based on criteria established by government code and adds further restrictions as to the types of investments allowed, concentration limits and maximum terms.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment of One Issuer</u>
Federal Agency Obligations	5 years	None	None
U.S. Treasury Bills	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days, but dollar weighted average may not exceed 31 days	30%	15%
Negotiable Certificates of Deposit	5 years	30%	None
Non-Negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	1 year	None	None
Medium-Term Corporate Notes	5 years	30%	None
Money Market Mutual Funds	N/A	20%	10%
Local Agency Investment Fund	N/A	None	\$75M
California Asset Management Program	N/A	None	None

At June 30, 2020, the County had the following investments:

	<u>Interest Rates</u>	<u>Maturities</u>	<u>Par</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Primary Investment Pool					
Federal Agency Issues - Coupon	.21% - 2.17%	6/23/21 - 6/30/25	\$ 80,125,000	\$ 80,449,683	3.87
Medium Term Corporate Notes	2.1% - 3.63%	1/24/21 - 8/1/25	65,431,000	67,147,118	2.78
LAIF State Pool/Sac	Variable	On Demand	46,577,101	46,577,101	-
California Asset Management	Variable	On Demand	17,392,199	17,392,199	-
Total			<u>\$ 209,525,300</u>	<u>\$ 211,566,101</u>	3.33
Investments Outside Investment Pool					
Bank Accounts Held Outside the Treasury			\$ 6,860,764	\$ 6,674,903	-
Cash with Retirement Agencies			3,139,814	3,139,814	-
			<u>\$ 10,000,578</u>	<u>\$ 9,814,717</u>	

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to change in market interest rates. The County manages its exposure to declines in fair values by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities to provide the necessary cash flow and liquidity needed for operations. The County monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law limits investments in commercial paper to the rating of A1 by Standards & Poor’s or P-1 by Moody’s Investors Service. State law also limit investments in corporate bonds to the rating of A by Standard & Poor’s and Moody’s Investors Service. The County does not have credit limits on governmental agency securities.

Concentration of Credit Risk

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool’s value at June 30, 2020:

	Moody's	Standard & Poor's Rating	% of Portfolio
Agency notes	Aaa	AA+	38.06%
Medium term notes	Aa2	AA-	2.37%
Medium term notes	Aa3	AA-	3.32%
Medium term notes	A1	A+	6.08%
Medium term notes	A2	A-	17.75%
Medium term notes	A3	A+	2.04%
LAIF State Pool/Sac	Unrated	Unrated	22.12%
California Asset Management	AAAm	Unrated	8.26%
Total			100.00%

At June 30, 2020, the County has the following investments in any one issuer that represent 5% or more of the total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded because they are not a concentration of credit risk.

	Amount	% of Portfolio
Federal Home Loan Mortgage Corp.	\$ 32,000,000	14.91%
Federal Farm Credit Bank	35,120,500	16.37%
Wells Fargo Bank Corporate Notes	11,018,428	5.14%

Custodial Credit Risk

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year end, the County’s investment pool had no securities exposed to custodial credit risk.

Local Agency Investment Fund

The County’s investment pool maintains an investment in the State of California Local Agency Investment Fund (LAIF). LAIF is part of the Pooled Money Investment Account (PMIA), an investment pool consisting of funds held

by the state in addition to those deposited with LAIF. All PMIA funds are managed by the Investment Division of the State Treasurer’s Office. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California Government Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute.

At June 30, 2020, the County’s investment position in the State of California Local Agency Investment Fund (LAIF) was \$46.6 million, which approximates fair value and is the same as the value of the pool shares which is determined on an amortized cost basis. The total amount invested by all public agencies in PMIA on that day was \$101.0 billion. Of that amount, 3.37% was invested in structured notes and asset-backed securities with the remaining 96.63% invested in other non-derivative products.

County Investment Pool Condensed Financial Information

The following represents a condensed statement of net position and changes in net position for the County’s primary investment pool and bond investment pool as of June 30, 2020:

Statement of Net Position

Net position held for pool participants	<u>\$ 211,566,101</u>
Equity of internal pool participants	95,947,659
Equity of external pool participants	<u>115,618,442</u>
 Total net position	 <u>\$ 211,566,101</u>

Statement of Changes in Net Position

Net position at July 1, 2019	\$ 243,353,919
Net changes in investments by pool participants	<u>(31,787,818)</u>
 Net position at June 30, 2020	 <u>\$ 211,566,101</u>

Fair Value Measurements

The Pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and,
- Level 3: Investments reflect prices based upon unobservable sources.

The Pool has the following recurring fair value measurements as of June 30, 2020:

	Amount	Fair Value Measurement Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Observable Inputs (Level 3)
Investments measured at fair value:				
Government agency obligations	\$ 80,449,683	\$ 80,449,683	\$ -	\$ -
Corporate and medium term notes	67,147,118	67,147,118	-	-
Total investments measured at fair value	\$ 147,596,801	\$ 147,596,801	\$ -	\$ -
Investments measured at amortized cost:				
LAIF State Pool/Sac	46,577,101	-	-	-
California Asset Management	17,392,199	-	-	-
Total investments measured at amortized cost	\$ 63,969,300	\$ -	\$ -	\$ -
Total investments	\$ 211,566,101	\$ 147,596,801	\$ -	\$ -

4. LOANS RECEIVABLE

Loans receivable at June 30, 2020 consisted of the following:

	General Fund	Mental Health Services Act	Other Governmental Funds	Total
Governmental Funds				
Loan to City of Live Oak	\$ 21,327	\$ -	\$ -	\$ 21,327
Loan to City of Yuba City	154,538	-	-	154,538
Loan to Reclamation District #70	-	-	-	-
Loan to Sutter-Yuba Housing Authority	-	874,458	-	874,458
Economic Development loans	-	-	1,927,617	1,927,617
Total loans receivable	<u>175,865</u>	<u>874,458</u>	<u>1,927,617</u>	<u>2,977,941</u>
Less allowance for doubtful accounts	-	-	-	-
Loans receivables, net	<u>\$ 175,865</u>	<u>\$ 874,458</u>	<u>\$ 1,927,617</u>	<u>\$ 2,977,941</u>
Government Wide				
Loan to Yuba Sutter Economic Development Corporation	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
Total Loans Receivable	<u><u>\$ 425,865</u></u>	<u><u>\$ 874,458</u></u>	<u><u>\$ 1,927,617</u></u>	<u><u>\$ 3,227,941</u></u>

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020, was as follows:

	Balance, July 1, 2019	Additions/ Adjustments	Retirements	Transfers	Balance, June 30, 2020
Governmental Activities					
Capital assets, not being depreciated					
Land	\$ 3,034,972	\$ (70,000)	\$ -	\$ 70,000	\$ 3,034,972
Easements	-	-	-	5,000	5,000
Construction in Progress	30,202,079	7,827,153	-	(4,764,432)	33,264,800
Total capital assets, not being depreciated	<u>33,237,051</u>	<u>7,757,153</u>	<u>-</u>	<u>(4,689,432)</u>	<u>36,304,772</u>
Capital assets, being depreciated					
Land improvements	38,574	-	-	-	38,574
Structures and improvements	49,229,896	600,420	(260,054)	-	49,570,262
Equipment	14,302,353	931,256	(193,038)	366,776	15,407,348
Vehicles	12,699,940	967,112	(966,215)	703,370	13,404,207
Infrastructure	101,691,711	-	-	3,557,097	105,248,808
Software	963,993	-	(61,425)	62,188	964,757
Total capital assets, being depreciated	<u>178,926,463</u>	<u>2,498,788</u>	<u>(1,480,731)</u>	<u>4,689,432</u>	<u>184,633,952</u>
Less accumulated depreciation for					
Land improvements	(2,572)	(2,572)	-	-	(5,143)
Structures and improvements	(21,999,992)	(957,194)	221,046	-	(22,736,140)
Equipment	(10,948,041)	(1,085,816)	177,601	-	(11,856,256)
Vehicles	(9,884,696)	(1,072,376)	949,219	-	(10,007,854)
Infrastructure	(72,636,987)	(2,843,190)	-	-	(75,480,178)
Software	(683,519)	(206,270)	32,733	-	(857,056)
Total accumulated depreciation	<u>(116,155,808)</u>	<u>(6,167,417)</u>	<u>1,380,598</u>	<u>-</u>	<u>(120,942,627)</u>
Total capital assets, being depreciated, net	<u>62,770,659</u>	<u>(3,668,629)</u>	<u>(100,133)</u>	<u>4,689,432</u>	<u>63,691,329</u>
Governmental activities, capital assets, net	<u>\$ 96,007,710</u>	<u>\$ 4,088,524</u>	<u>\$ (100,133)</u>	<u>\$ 0</u>	<u>\$ 99,996,101</u>
Business-Type Activities					
Capital assets, not being depreciated					
Land	\$ 58,000	\$ -	\$ -	\$ -	\$ 58,000
Construction in progress	102,718	941,629	-	-	1,044,348
Total capital assets, not being depreciated	<u>160,718</u>	<u>941,629</u>	<u>-</u>	<u>-</u>	<u>1,102,348</u>
Capital assets, being depreciated					
Structures and Improvements	3,572,017	3,659	-	-	3,575,676
Equipment	17,826	-	-	-	17,826
Total capital assets, being depreciated	<u>3,589,843</u>	<u>3,659</u>	<u>-</u>	<u>-</u>	<u>3,593,501</u>
Less accumulated depreciation for					
Structures and improvements	(2,031,899)	(164,376)	-	-	(2,196,275)
Equipment	(17,826)	-	-	-	(17,826)
Total accumulated depreciation	<u>(2,049,724)</u>	<u>(164,376)</u>	<u>-</u>	<u>-</u>	<u>(2,214,101)</u>
Total capital assets, being depreciated, net	<u>1,540,118</u>	<u>(160,718)</u>	<u>-</u>	<u>-</u>	<u>1,379,401</u>
Business-type activities, capital assets, net	<u>\$ 1,700,836</u>	<u>\$ 780,912</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,481,748</u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 936,221
Public protection	1,415,931
Public ways and facilities	3,204,266
Health and sanitation	217,867
Public assistance	164,356
Education	28,364
Recreation and culture	50,006
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>150,406</u>
 Total	 <u><u>\$ 6,167,417</u></u>

Depreciation expense was charged to the business-type functions as follows:

Waterworks District No. 1	<u><u>\$ 164,376</u></u>
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Construction in Progress

Construction in progress related primarily to work performed on the various construction projects within the County including bridge and building improvement projects.

6. LEASE COMMITMENTS

Capital Leases

The following table provides a summary of the County's capital lease commitments with year-end balances as of June 30, 2020:

	Date of Issue	Date of Maturity	Interest Rate	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2020
Governmental Activities						
Copiers	2013	2019	3.99%	\$5,762 - \$7,235	394,159	972
Energy Efficiency Upgrade Project	2014	2029	3.71%	\$330,514 - \$981,676	8,920,306	6,659,370
Dark Fiber Cable	2019	2029	2.85%	\$20,589-\$58,882	604,079	604,079
Total Governmental Activities					<u>\$ 9,918,544</u>	<u>\$ 7,264,420</u>
Business-Type Activities						
Energy Efficiency Upgrade Project	2014	2029	3.71%	\$9,000 - \$21,000	189,140	147,729
Total Business-Type Activities					<u>\$ 189,140</u>	<u>\$ 147,729</u>

The following table provides a summary of the changes in the County's capital lease commitments during the year:

	Balance July 1, 2019	Additions/ Adjustments	Retirements	Balance June 30, 2020	Amounts Due Within One Year
Governmental Activities					
Energy efficiency upgrade project	\$ 7,128,562	\$ (3,659)	\$ 465,533	\$ 6,659,370	\$ 540,511
Copiers	6,316	(987)	4,358	972	972
Dark Fiber Cable	-	604,079	-	604,079	83,256
Total Governmental Activities - Leases	<u>\$ 7,134,878</u>	<u>\$ 599,433</u>	<u>\$ 469,891</u>	<u>\$ 7,264,420</u>	<u>\$ 624,739</u>
Business-Type Activities					
Energy efficiency upgrade project	\$ 180,141	\$ 3,659	\$ 36,071	\$ 147,729	\$ 12,102
Total Business-Type Activities - Leases	<u>\$ 180,141</u>	<u>\$ 3,659</u>	<u>\$ 36,071</u>	<u>\$ 147,729</u>	<u>\$ 12,102</u>

As of June 30, 2020, future minimum lease payments under capital leases are as follows:

Year Ending June 30:	Governmental Activities	Business-Type Activities
2021	\$ 875,887	\$ 17,442
2022	898,603	18,159
2023	933,280	18,909
2024	969,529	19,693
2025	925,820	18,747
2026-2030	4,117,835	83,954
Total future minimum lease payments	\$ 8,720,954	\$ 176,903
Less: Interest	(1,456,534)	(29,174)
Present value of minimum lease payments	\$ 7,264,420	\$ 147,729

7. LONG-TERM LIABILITIES

Long-term debt, excluding lease liabilities (see Note 6), at June 30, 2020 consisted of the following:

	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2020
Governmental Activities						
Refinancing Lease Agreement						
Health Building	2009	2020	4.50%	\$115,000 - \$195,313	\$ 1,730,000	\$ -
Total Governmental Activities					<u>\$ 1,730,000</u>	<u>\$ -</u>
Business-Type Activities						
Loan Payable						
State Water Resources Control Board	1998	2022	2.80%	\$5,506 - \$8,333	151,000	24,325
Total Business-Type Activities					<u>\$ 151,000</u>	<u>\$ 24,325</u>

The following is a summary of all long-term liabilities transactions, excluding lease transactions, for the year ended June 30, 2020:

	Balance July 1, 2019	Additions/ Adjustments	Retirements	Balance June 30, 2020	Amounts Due Within One Year
Governmental Activities					
Refinancing lease agreement	\$ 195,313	\$ -	\$ 195,313	\$ -	\$ -
Total Governmental Activities - Long-Term Liabilities	<u>\$ 195,313</u>	<u>\$ -</u>	<u>\$ 195,313</u>	<u>\$ -</u>	<u>\$ -</u>
Business-Type Activities					
Loans payable	\$ 31,995	\$ -	\$ 7,670	\$ 24,325	\$ 7,885
Total Business-Type Activities Long-Term Liabilities	<u>\$ 31,995</u>	<u>\$ -</u>	<u>\$ 7,670</u>	<u>\$ 24,325</u>	<u>\$ 7,885</u>

Annual debt service requirements of business-type activities to maturity are as follows:

Year Ended June 30,	Business Activities	
	Loans Payable	
	Principal	Interest
2021	\$ 7,885	\$ 681
2022	8,106	460
2023	8,334	233
Total	<u>\$ 24,325</u>	<u>\$ 1,374</u>

8. DEFERRED OUTFLOWS OF RESOURCES

Pursuant to GASB Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,” and GASB Statement No. 65, “Items Previously Reported as Assets and Liabilities,” the County recognized deferred outflows of resources in the Government-wide and proprietary fund statements. These items are a consumption of net position by the County that is applicable to a future reporting period. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities.

The County has two items that are reportable on the Government-wide Statement of Net Position. The first item relates to outflows from changes in net OPEB liability (Note 15). The second item relates to outflows from changes in net pension liability (Note 14). In addition, deferred outflows of resources that are reported in the proprietary funds are included in the Government-wide Statement of Net Position.

Deferred outflows of resources balances for the year ended June 30, 2020 were as follows:

	Governmental Activities	Business-Type Activities
Government-wide Deferred Outflows of Resources		
OPEB	\$ 685,758	\$ -
Pensions	28,640,096	-
Total Government-wide Deferred Outflows of Resources	<u>\$ 29,325,854</u>	<u>\$ -</u>

9. INTERFUND TRANSACTIONS

Due To/From Other Funds

Operating receivables and payables between funds are classified as due from or due to other funds. These interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, and (2) payments between funds are made. The following are due to and due from balances as of June 30, 2020:

Receivable	Payable	Amount
General Fund	Welfare	\$ 8,471
	Bi-County Behavioral Health	-
	Public Safety/Trial Courts	3,725,271
	Nonmajor Governmental Funds	922,675
	Debt Service	18,925
	Internal Service Funds	33,915
	Nonmajor Enterprise Fund	630,835
	Total General Fund	5,340,092
Bi-County Behavioral Health	General Fund	-
	Welfare	31,629
	Mental Health Services Act	294,600
	Public Safety Realignment	2,578,797
	Nonmajor Governmental Funds	45,813
	Debt Service	3,891
	Total Bi-County Behavioral Health	2,954,729
Welfare	General Fund	15,168
	Welfare	7,694,090
	Public Safety Realignment	1,444,851
	Nonmajor Governmental Funds	36
	Debt Service	4,121
Total Welfare	9,158,266	
Public Safety/Trial Courts	General Fund	-
	Bi-County Behavioral Health	5,610
	Public Safety/Trial Courts	1,936,924
	Public Safety Realignment	614,496
	Nonmajor Governmental Funds	11,323
	Debt Service	15,634
Total Public Safety/Trial Courts	2,583,987	

continued

continued

Mental Health Service Act	Bi-County Behavioral Health	2,166
	Total Mental Health Services Act	<u>2,166</u>
Public Safety Realignment	Public Safety Realignment	1,248,714
	Nonmajor Governmental Funds	-
	Total Public Safety Realignment	<u>1,248,714</u>
Nonmajor Special Revenue Funds	General Fund	132,066
	Welfare	99,462
	Bi-County Behavioral Health	99,769
	Nonmajor Governmental Funds	681,310
	Debt Service	9,904
	Total Special Revenue Funds	<u>1,022,512</u>
Nonmajor Debt Service Funds	General Fund	5,080
	Welfare	4,911
	Bi-County Behavioral Health	3,566
	Public Safety/Trial Courts	4,558
	Nonmajor Governmental Funds	2,826
	Internal Service Funds	168
	Total Debt Service Funds	<u>21,109</u>
Nonmajor Capital Project Funds	General Fund	65,933
	Welfare	14,310
	Bi-County Behavioral Health	120,392
	Public Safety/Trial Courts	-
	Nonmajor Governmental Funds	365,523
	Internal Service Funds	-
	Total Capital Project Fund	<u>566,157</u>
	Total	<u>\$ 22,897,732</u>

Advances To/From Other Funds

Advances to/from other funds are non-current interfund loans to address cash flow needs and are offset by a fund balance nonspendable account in applicable governmental funds to indicate they are not available for appropriations and are not expendable available financial resources. The following are advances to/from other funds as of June 30, 2020:

Advances to Other Funds	Advances from Other Funds	Amount
General Fund	Bi-County Behavioral Health	\$ 1,045,436
	Nonmajor Governmental Funds	1,079,809
	Internal Service Funds	125,000
		<u>2,250,245</u>
Mental Health Services Act	Bi-County Behavioral Health	<u>2,333,213</u>
		<u>\$ 4,583,457</u>

In 2002, the Board of Supervisors approved an advance of \$985,000 from the General Fund to County Service Area F to fund the construction costs of a new station. The loan has a variable interest rate that is based on the pooled treasury rate and has payments due August 1st of each year in the amount of \$50,550. To date, interest paid on the loan totals \$282,961 and principal paid totals \$569,056. As of June 30, 2020, the remaining balance due was \$415,944.

On June 30, 2009, the Board of Supervisors approved an advance of \$67,811 from the General Fund to the County Airport. On December 7, 2010 and February 8, 2011, the Board approved additional advances of \$117,189 to bring the total advance to \$185,000. As of June 30, 2020, the advances have been paid in full.

In August of 2012, the Board of Supervisors agreed to a 30-year loan from the Health/Social Services Impact Fee fund, it then transferred to the General fund in 2017, in the amount of \$677,500 for half of the County's share of the new Animal Control building to be repaid over a 30-year period from new animal control impact fees on new development. Interest is charged quarterly at a variable rate based on the pooled treasury rate. The loan was originally issued at \$607,841. To date no payments have been made on the advance. The balance at June 30, 2020 was \$663,865.

On June 30, 2015, the General Fund advanced the Bi-County Behavioral Health Fund \$973,705 to provide funding for the Chevron energy improvements project. The loan has a variable interest rate that is based on the pooled treasury rate. To date no payments have been made on the advance. The outstanding balance at year-end was \$1,045,436.

On March 26, 2010, the Mental Health Services Act Fund advanced \$2,000,000 to Bi-County Behavioral Health to meet cash flow needs. Interest is charged at a variable rate based on the pooled treasury rate. To date no payments have been made on the advance. The balance at June 30, 2020 was \$2,333,213.

On September 29, 2020, the General Fund advanced \$125,000 to the Employee Wellness Internal Service Fund to meet cash flow needs. No interest is charged on the advance. To date no payments have been made on the advance. The balance at June 30, 2020 was \$125,000.

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies or various County operations and re-allocations of special revenues. The following are the interfund transfers for fiscal year ended June 30, 2020:

Transfers From	Transfers To	Amount
General Fund	Welfare	\$ 1,133,093
	Public Safety/Trial Courts	23,172,750
	Nonmajor Governmental Funds	<u>9,209,121</u>
		<u>33,514,964</u>
Bi-County Behavioral Health	Bi-County Behavioral Health	1,123,705
	Public Safety/Trial Courts	76,098
	Mental Health Service Act	2,273,307
	Nonmajor Governmental Funds	<u>630,246</u>
	<u>4,103,355</u>	
Welfare	General Fund	1,411
	Welfare	8,673,640
	Public Safety/Trial Courts	72,000
	Nonmajor Governmental Funds	<u>973,624</u>
	<u>9,720,675</u>	
Public Safety/Trial Court	Bi-County Behavioral Health	89,921
	Public Safety/Trial Courts	10,884,002
	Nonmajor Governmental Funds	<u>589,947</u>
	<u>11,563,870</u>	
Mental Health Service Act	Bi-County Behavioral Health	<u>8,633,042</u>
		<u>8,633,042</u>
Public Safety Realignment	Bi-County Behavioral Health	13,726,611
	Welfare	10,148,503
	Public Safety/Trial Courts	5,976,508
	Public Safety Realignment	11,166,734
	Nonmajor Governmental Funds	<u>269,592</u>
	<u>41,287,947</u>	
Nonmajor Governmental Funds	General Fund	102,407
	Nonmajor Governmental Funds	<u>4,891,392</u>
	<u>4,993,799</u>	
Internal Service Funds	Nonmajor Governmental Funds	<u>168</u>
		<u>168</u>
	Total	<u>\$ 113,817,822</u>

10. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has Risk Management Funds (internal service funds) to account for and finance its uninsured risks of loss for general liability and workers' compensation. Under this program, the Risk Management Funds provide coverage for up to a maximum of \$100,000 for each general liability claim and up to \$300,000 for each workers' compensation claim. The County is a member of two joint powers authorities (JPA) called Trindel Insurance Fund (Trindel) and PRISM Risk (PRISM). The County pays annual premiums to Trindel and to PRISM for excess liability insurance coverage, excess workers' compensation coverage and various other insurance programs.

All funds of the County participate in the program and make payments to the Risk Management funds based on actuarial estimates of the amounts needed to pay prior and current year claims, insurance premiums and to fund future liability losses through reserving. The Board of Supervisors adopted a policy that the claims liability will be adjusted annually to not less than the 70% confidence level and not more than the 90% confidence level as determined by the actuary.

At June 30, 2020, the General Liability fund had a Net Position deficit of \$(121,575) and the Workers' Compensation fund had a Net Position of \$263,074. The claims liability of \$1,275,536 reported in the General Liability fund and claims liability of \$5,476,710 reported in the Workers' Compensation fund at fiscal year ended are based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated.

The following represents the amount of the outstanding liabilities determined by the actuaries.

General Liability Fund – The change in the County's general liability claims reserve amount for fiscal year ending 2020 was as follows:

Fiscal Year Ending	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claims Payments	Balance at End of Fiscal Year
June 30, 2019	\$720,000	\$732,804	\$955,238	\$497,566
June 30, 2020	497,566	1,002,426	224,456	1,275,536

Workers' Compensation Fund – The change in the County's workers' compensation claims reserve amount for fiscal year ending 2020 was as follows:

Fiscal Year Ending	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claims Payments	Balance at End of Fiscal Year
June 30, 2019	\$2,466,379	\$3,613,215	\$639,366	\$5,440,228
June 30, 2020	5,440,228	848,605	812,123	5,476,710

11. DEFERRED INFLOWS OF RESOURCES

Pursuant to GASB Statement No. 63, *“Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position”* and GASB Statement No. 65, *“Items Previously Reported as Assets and Liabilities,”* the County recognized deferred inflows or resources in the government-wide, governmental fund, and proprietary fund statements. These items are an acquisition of net position by the County that is applicable to a future reporting period. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities.

The County has two items that are reportable on the Government-wide Statement of Net Position. The first item relates to inflows from changes in Other Post Employment Benefits (OPEB) (Note 15). The second item relates to inflows from changes in the net pension liability. Additionally, deferred inflows of resources that are reported in the proprietary funds are included in the Government-wide Statement of Net Position.

Deferred inflows of resources for the year ended June 30, 2020 were as follows:

	Governmental Activities	Business-Type Activities
Government-wide Deferred Inflows of Resources		
OPEB	\$ 4,229,916	\$ -
Pensions	4,839,224	-
Total Government-wide Deferred Inflows of Resources	<u>\$ 9,069,141</u>	<u>\$ -</u>

12. FUND BALANCE CLASSIFICATIONS

Fund balance classifications for the governmental funds as of June 30, 2020 are presented below:

	General	Bi-County Behavioral Health	Welfare	Public Safety/ Trial Courts
Nonspendable:				
Prepaid expenses	\$ 42,286	\$ 15,698	\$ 44,993	\$ 28,222
Inventory	-	-	-	-
Advances and loans receivables	2,426,110	-	-	-
Permanent funds	-	-	-	-
Subtotal	<u>2,468,396</u>	<u>15,698</u>	<u>44,993</u>	<u>28,222</u>
Restricted for:				
Taxes and fees	-	-	-	-
General government	-	-	-	-
Public protection	-	-	-	5,301,234
Public ways & facilities	-	-	-	-
Health & sanitation	-	2,251,992	-	-
Public assistance	-	-	10,877,263	-
Other	68,534	-	-	-
Subtotal	<u>68,534</u>	<u>2,251,992</u>	<u>10,877,263</u>	<u>5,301,234</u>
Committed to:				
Capital Projects	2,486,361	-	-	-
Public protection	1,388,000	-	-	41,192
Public facilities	-	-	-	-
Health & sanitation	-	-	-	-
Pension & OPEB	3,526,904	-	-	-
Future vehicle purchase	-	-	-	-
Other	2,243,368	-	-	-
Subtotal	<u>9,644,634</u>	<u>-</u>	<u>-</u>	<u>41,192</u>
Assigned to:				
Public Protection	-	-	-	19,875
Health & sanitation	-	-	-	-
Other	-	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,875</u>
Unassigned	<u>8,066,801</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 20,248,365</u>	<u>\$ 2,267,690</u>	<u>\$ 10,922,256</u>	<u>\$ 5,390,523</u>

Mental Health Services Act	Public Safety/ Realignment	Other Governmental	Total Governmental Funds	
\$ -	\$ -	\$ 17,732	\$ 148,930	Nonspendable:
-	-	-	-	Prepaid expenses
-	-	-	2,426,110	Inventory
-	-	-	-	Advances and loans receivables
-	-	17,732	2,575,040	Permanent funds
-	-	-	-	Subtotal
-	-	2,542,351	2,542,351	Restricted for:
-	-	4,563,411	4,563,411	Taxes and fees
-	15,737,556	294,687	21,333,477	General government
-	-	19,806,065	19,806,065	Public protection
12,511,760	-	3,771,575	18,535,328	Public ways &
-	-	-	10,877,263	Health & sanitation
-	-	46,706	115,240	Public assistance
12,511,760	15,737,556	31,024,794	77,773,135	Other
-	-	-	-	Subtotal
-	-	3,190,808	5,677,170	Committed to:
-	-	-	1,429,192	Capital Projects
-	-	1,493,935	1,493,935	Public protection
-	-	-	-	Public facilities
-	-	-	3,526,904	Health & sanitation
-	-	-	-	Pension & OPEB
-	-	-	-	Future vehicle
-	-	38,902	2,282,270	Other
-	-	4,723,645	14,409,472	Subtotal
-	-	-	19,875	Assigned to:
-	-	13,890	13,890	Public Protection
-	-	-	-	Health & sanitation
-	-	13,890	33,765	Other
-	-	-	-	Subtotal
-	-	-	8,066,801	Unassigned
<u>\$ 12,511,760</u>	<u>\$ 15,737,556</u>	<u>\$ 35,780,061</u>	<u>\$ 102,858,212</u>	Total

13. RESTRICTED COMPONENT OF NET POSITION – GOVERNMENT-WIDE

The restricted component of net position are assets that are subject to constraints either (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

The restricted component of net position at June 30, 2020 for governmental activities is as follows:

Restricted for General Government:		
Taxes and fees	\$ 2,542,351	
General government	<u>5,499,073</u>	\$ 8,041,424
Restricted for Public Protection:		
Public Safety/Trial Courts	5,301,234	
Public Safety/Realignment	16,472,782	
Child Support Srvc Reimb/Adj	<u>294,687</u>	22,068,703
Restricted for Public Ways & Facilities:		
Road	12,377,084	
County Service Areas	2,105,932	
Water Agencies	2,451,534	
Other Special Districts	<u>2,855,877</u>	19,790,425
Restricted for Health & Sanitation:		
Bi-County Behavioral Health	10,140,795	
Mental Health Services Act	10,178,548	
Sutter County Health	<u>3,771,575</u>	24,090,918
Restricted for Public Assistance:		
Welfare/Social Services	<u>12,227,600</u>	12,227,600
Restricted for Other Government Services:		
General	68,534	
Fish & Game	46,706	
Other: Deferred Revenue	<u>1,131,325</u>	1,246,566
Total restricted component of position - governmental		<u><u>\$ 87,465,635</u></u>

14. EMPLOYEES' RETIREMENT PLAN

A. General Information about the Pensions Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the County's Safety or Miscellaneous Plans. The County's Safety Plan and the Miscellaneous Plan are both agent multiple-employer defined benefit pension plans. The County's Safety and Miscellaneous Plans are part of the California Public Employees Retirement System (PERS), a public employee retirement system which acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and other requirements are established by State statute and County resolution. The County's defined benefit pension plans provide retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and their beneficiaries. The County selects optional benefit provisions by contract with CalPERS and adopts those benefits through County ordinance. CalPERS issues a separate comprehensive annual financial report; however, separate reports for the County's Safety and Miscellaneous Plans are not available. Copies of CalPERS annual financial reports which include required supplementary information (RSI) for each plan may be obtained from CalPERS Executive Offices, Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811.

Benefits Provided

All pension plans provide benefits, upon retirement, disability or death of members. Retirement benefits are based on years of service, final average compensation, and retirement age. Employees terminating before accruing five years of retirement service credit forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within a prescribed time period. Non-vested employees who terminate service are entitled to withdraw their accumulated contributions plus accrued interest. Employees who terminate service after earning five years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement. Differences between expected and actual experience for vested and non-vested benefits may result in an increase or decrease to pension expense and net pension liability.

Service related disability benefits are provided to safety members and are based on final compensation. Non-service related disability benefits are provided to both safety and miscellaneous members. The benefit is based on final compensation, multiplied by service, which is determined as follows:

- *service* is CalPERS credited service, for members with less than 10 years of service or greater than 18.518 years of service; or
- *service* is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service.

Death benefits are based upon a variety of factors including whether the participant was retired or not. Annual cost-of-living adjustments (COLAs) after retirement are provided in all plans. COLAs are granted to retired members each May based upon the Bureau of Labor Statistics Average Consumer Price Index for All Urban Consumers for the previous calendar year and is subject to a maximum of 2% per annum.

The Plans’ provisions and benefits in effect at June 30, 2020, are summarized as follows:

	Miscellaneous		
	Prior to	On or after	On or after
Hire Date	Nov. 16, 2011	Nov. 16, 2011	Jan. 1, 2013
Benefit formula	2.7%@55	2%@60	2%@62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55	50-63	52-67
Monthly benefits, as % of eligible	2.00%-2.70%	1.09%-2.42%	1.00%-2.50%
Required employee contribution rates	8%	7%	6.25%
Required employer contribution rates	28.57%	28.57%	28.57%
Status	Closed	Closed	Open

	Safety		
	Prior to	On or after	On or after
Hire Date	Nov. 16, 2011	Nov. 16, 2011	Jan. 1, 2013
Benefit formula	3@50	2%@50	2.7@57
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50-55	50-55
Monthly benefits, as % of eligible	3.00%	2.00% - 2.70%	2.00% - 2.70%
Required employee contribution rates	9%	9%	12%
Required employer contribution rates	43.29%	43.29%	43.29%
Status	Closed	Closed	Open

Employees Covered

At June 30, 2019, the following employees were covered by the benefit terms for the Miscellaneous Plan and Safety Plan.

Employee Status	Miscellaneous	Safety
Active	811	159
Transferred	341	66
Separated	481	43
Retired	1,103	206
Total	2,736	474

Contributions

Section 20814c of the California Public Employees’ Retirement Law requires the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

B. Net Pension Liability

The County’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2019, using an

annual actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions

The total pension liabilities in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2018	June 30, 2018
Measurement Date	June 30, 2019	June 30, 2019
Actuarial Cost Method	Entry-Age Normal	
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Payroll Growth	2.75%	2.75%
Projected Salary Increase	Varies by Entry Age and Service	
Investment Rate of Return ¹	7.15%	7.15%
Mortality	Derived using CalPERS' Membership Data for All Funds	

(1) Net of pension plan investment expenses; includes

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2018 valuation were based on the results of a January 2018 actuarial experience study for the period 1997 to 2007. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans ran out of assets. Therefore, the current 7.15% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference. CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expense for GASB 67 and 68 calculations through at least the 2017-2018

fiscal year. CalPERS will continue to check the materiality of the difference in calculation until there is a change in methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension investment expense and inflation) are developed for each major asset class.

The long-term expected rate of return includes both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expense.

Asset Class (a)	Assumed Asset Allocation	Real Return Years 1 - 10(b)	Real Return Years 11 + (c)
Global equity	50.0%	4.80%	5.98%
Fixed income	28.0%	1.00%	2.62%
Inflation assets	0.0%	0.77%	1.81%
Private equity	8.0%	6.30%	7.23%
Real assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
	100.0%		

(a) In CalPERS' Comprehensive Annual Financial Report, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(b) An expected inflation of 2.00% used for this period.

(c) An expected inflation of 2.92% used for this period.

C. Changes in the Net Pension Liability

The changes in the Net Pension Liability for the County’s Miscellaneous Plan and Safety Plan follows:

	Miscellaneous Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2018	\$ 389,900,056	\$ 281,691,202	\$ 108,208,854
Changes in the year:			
Service cost	7,943,753	-	7,943,753
Interest on total pension liability	27,983,797	-	27,983,797
Changes of assumptions	-	-	-
Differences between expected and actual experience	7,599,929	-	7,599,929
Net plan to plan resources movement	-	-	-
Contributions from the employer	-	12,159,667	(12,159,667)
Contributions from employees	-	3,392,287	(3,392,287)
Net Investment Income	-	18,423,762	(18,423,762)
Benefit payments, including refunds of employee contributions	(20,180,176)	(20,180,176)	-
Administrative expenses	-	(201,021)	201,021
Other Miscellaneous Income/(Expense)	-	654	(654)
 Net Changes	<u>23,347,304</u>	<u>13,595,173</u>	<u>9,752,131</u>
Balance at June 30, 2019 (MD)	<u>\$ 413,247,360</u>	<u>\$ 295,286,375</u>	<u>\$ 117,960,985</u>
	Safety Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2018	\$ 132,374,636	\$ 97,827,842	\$ 34,546,794
Changes in the year:			
Service cost	3,050,002	-	3,050,002
Interest on total pension liability	9,603,238	-	9,603,238
Changes of assumptions	-	-	-
Differences between expected and actual experience	3,712,528	-	3,712,528
Net plan to plan resource movement	-	-	-
Contributions from the employer	-	4,169,389	(4,169,389)
Contributions from employees	-	1,334,452	(1,334,452)
Net Investment Income	-	6,465,706	(6,465,706)
Other adjustments	-	-	-
Benefit payments, including refunds of employee contributions	(6,602,299)	(6,602,299)	-
Administrative expenses	-	(69,812)	69,812
Other miscellaneous income/(expense)	-	227	(227)
 Net Changes	<u>9,763,469</u>	<u>5,297,663</u>	<u>4,465,806</u>
Balance at June 30, 2019 (MD)	<u>\$ 142,138,105</u>	<u>\$ 103,125,505</u>	<u>\$ 39,012,600</u>

Sensitivity of the Net Pension Liability to Change in the Discount Rate

The following presents the net pension liability of the County for each Plan, calculated using the discount rate for each Plan, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

Plan's Net Pension Liability / (Asset)	1% Decrease	Current Discount	1% Increase
	6.15%	Rate 7.15%	8.15%
Miscellaneous Plan	\$ 171,105,667	\$ 117,960,985	\$ 73,853,955
Safety Plan	\$ 58,528,647	\$ 39,012,600	\$ 22,983,424

Pension Plan Fiduciary Net Position

Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the County recognized pension expense of \$29,371,374. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 2,092,835	\$ (1,359,534)
Differences between expected and actual experience	8,023,306	(1,295,540)
Net differences between projected and actual earnings on pension plan investments	-	(2,184,150)
Adjustment due to differences in proportions	-	-
County contributions subsequent to the measurement	18,523,955	-
Total	\$ 28,640,096	\$ (4,839,224)

The \$18,523,955 reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Measurement Period Ended June 30</u>		<u>Deferred Outflows/(Inflows) of Resources</u>
2020	\$	4,619,823
2021		(196,066)
2022		283,900
2023		<u>569,260</u>
Total	\$	<u>5,276,917</u>

15. OTHER POST EMPLOYMENT BENEFITS (OPEB)

General Information about the OPEB Plan

Plan Description

The County of Sutter provides postemployment benefits and contributes to the miscellaneous plan of the County of Sutter and the safety plan of the County of Sutter (plans) which are part of the California Public Employees Retirement System (PERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for governmental entities in the State of California. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions and all other requirements are established by statute. Copies of PERS' annual financial report may be obtained from their executive office - 400 P Street, Sacramento, CA 95814. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board Statement No. 75.

Benefits Provided

The County provides medical, dental and vision insurance to retirees under an approved County ordinance. Employees that meet the following requirements are eligible for coverage under the County of Sutter Retiree Healthcare Plan: 1) the employee retires directly from the County under CalPERS; or 2) participates in the Tri County Schools Insurance Group (TCSIG) plan. The County has elected to contribute a percentage toward the cost of premiums for the retiree and spouse based on years of service.

The County contributes a monthly subsidy for retirees who participate in the medical plan offered by the County. The amounts are determined based on date of retirement.

- Employees who retire before 12/24/2005 receive a monthly amount of \$16, regardless of age.
- Employees who retire on or after 12/24/2005 receive a monthly amount of:
 - \$55 as of 1/1/2018 (before 1/1/2018, this amount was \$16 per month), if they are 65 or older, and
 - Prior to age 65, an amount based on years of County service, as shown in the chart below.

Years of Service	Monthly Subsidy
5-9	\$16
10-14	56
15-19	96
20-24	136
25-29	176
30+	216

- Subsidies end with the death of the retiree, though a surviving spouse may continue coverage by paying the full monthly premiums. In addition, if the retiree reaches age 65 prior to his or her covered spouse, the spouse may continue coverage until age 65 by paying the full monthly premium, even if the retiree discontinues coverage on the County's plan.

Employees Covered by Benefit Terms

At the OPEB liability measurement date of June 30, 2019, the following employees were covered by the benefit terms:

Active employees	844
Inactive employees or beneficiaries currently receiving benefit payments	138
Inactive employees entitled to but not yet receiving benefit payments	<u>0</u>
	<u><u>982</u></u>

Contributions

The contribution requirements of the plan members and the County are established and may be amended by the County. The contribution is based on pay-as-you-go financing requirements. For fiscal year 2019/2020, the County contributed \$513,652, or 54.7%, of the actuarially required contributions to the Retiree Healthcare Plan.

Total OPEB Liability

At June 30, 2020, the County reported a total OPEB liability of 11,444,031. The total OPEB liability was measured as of June 30, 2019 and determined by an actuarial valuation as of June 30, 2019.

Actuarial Methods and Assumptions

The total OPEB liability measured as of June 30, 2019 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increase rate	3.25% per year, since benefits do not depend on salary, this is used only to allocate the cost of benefits between service years.
Assumed wage inflation	3.00% per year; used to determine amortization payments if developed on a level percent of pay basis.
General inflation rate	2.50% per year
Discount rates	2.79% on June 30, 2019 and 2.98% on June 30, 2018. Changes based on the published change in return for the applicable municipal bond index.
Healthcare trend	Medical plan premiums and claims costs by age are assumed to increase once each year.
Future retiree plan election	Depending on years of service with the County from less than 10 years-25% elect coverage to more than 30 years-100% elect coverage. It is assumed that 20% of future retirees are to continue coverage after age 65, regardless of their years of County service.

The actuarial “demographic” assumptions (i.e. rates of retirement, death, disability or other termination of

employment) used in the actuarial report were chosen, for the most part, to be the same as the actuarial demographic assumptions used for the most recent valuation of the retirement plans covering County employees. Other assumptions, such as age-related healthcare claims, healthcare trend, retiree participation rates and spouse coverage, were selected based on demonstrated plan experience and/or the actuarial’s best estimate of expected future experience.

Changes in the Total OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position and the net OPEB liability during the measurement period ending on June 30, 2019 for the County’s proportionate share.

For reporting at fiscal year end	June 30, 2019	June 30, 2020	Change
<i>Measurement date</i>	<u>June 30, 2018</u>	<u>June 30, 2019</u>	During
OPEB Liability	\$ 14,783,252	\$ 11,444,031	\$ (3,339,221)
<i>Deferred resource (outflows) inflows due to:</i>			
Assumption changes	304,086	1,884,267	1,580,181
Plan experience	-	2,171,097	2,171,097
Investment experience	-	-	-
Contributions made subsequent to the measurement date	<u>(522,523)</u>	<u>(511,206)</u>	<u>11,317</u>
Net deferred (outflows) inflows	<u>(218,436)</u>	<u>3,544,158</u>	<u>3,762,595</u>
Impact on Statement of Net Position	<u><u>\$ 14,564,816</u></u>	<u><u>\$ 14,988,189</u></u>	<u><u>\$ 423,373</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the County, as well as what the County’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.79%) or one percentage point higher (3.79%) than the current discount rate:

	<u>Change in Discount Rate</u>		
	<u>Current - 1%</u> <u>1.79%</u>	<u>Current</u> <u>2.79%</u>	<u>Current + 1%</u> <u>3.79%</u>
Total OPEB Liability	\$12,527,122	\$11,444,031	\$10,469,795
Increase (decrease)	\$1,083,091		\$(974,236)
% increase (decrease)	9.4%		-8.5%

Sensitivity of the Total OPEB Liability to Changes in Healthcare Cost Trend Rate

The following presents the total OPEB liability of the County, as well as what the County’s total OPEB liability would be if it were calculated using the healthcare cost trend rate that is one percentage lower or one percentage point higher than the current trend rate:

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2020, the County recognized OPEB expense of \$938,483. OPEB expense represents the change in the total OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or method. At June 30, 2020, The County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 174,552	\$ (2,058,819)
Differences between expected and actual experience	-	(2,171,097)
Net difference between projected and actual earnings on retirement plan investments	-	-
County contributions subsequent to the measurement	511,206	-
	<u>\$ 685,758</u>	<u>\$ (4,229,916)</u>

Amount reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Fiscal Year Ending June 30	Recognized Net Deferred Outflows (inflows) of Resources
2021	(470,852)
2022	(470,852)
2023	(470,852)
2024	(470,852)
2025	(470,852)
Thereafter	(1,701,104)

16. COMPENSATED ABSENCES

As of June 30, 2020, compensated absences were the following:

	Balance July 1, 2019	Additions/ Adjustments	Retirements	Balance June 30, 2020	Amounts Due Within One Year
Governmental Activities					
Compensated absences	\$ 6,169,491	\$ 6,165,205	\$ 5,684,326	\$ 6,650,370	\$ 6,331,462

Compensated absences typically have been liquidated by the General and Special Revenue Funds.

17. OTHER INFORMATION

A. Construction Commitments

At June 30, 2020, the County does not have commitments for construction contracts.

B. Contingent Liabilities

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time; although the County expects any such amounts to be immaterial.

Other Claims

The County is subject to various lawsuits, inverse condemnation cases, personnel actions, disputes over tax assessments, and other actions incidental to the ordinary course of County operations. In the opinion of the County Counsel, the total potential claims against the County not covered by insurance resulting from litigation would not materially affect the financial statements of the County at June 30, 2020.

C. Joint Agencies

The CSAC Excess Insurance Authority is a joint powers authority organized to develop and fund excess insurance programs for member counties. The Authority operates public entity risk pools for workers' compensation, comprehensive liability, property, medical malpractice, and pool purchases excess insurance and services for members. The Authority is under the control and direction of a board of directors consisting of representatives of the fifty-member counties.

Completed audited financial statements for CSAC Excess Insurance Authority can be obtained from the Authority's office at 75 Iron Point Circle, Suite 200, Folsom, California 95630.

D. Restatement of Fund Balance

During fiscal year 2019-20, it was determined that wraparound service activities should be included as part of the Welfare major fund as opposed to the Bi-County Behavioral Health major fund for financial statement reporting. Wraparound is a family-centered, strengths-based, needs-driven planning process for creating individualized services and supports for children, youth, and their families that facilitate access to normalized and inclusive community options, activities, and opportunities. The table below presents the restatement adjustment and corresponding adjusted beginning fund balance.

<u>Fund Name</u>	<u>Beginning Fund Balance</u>	<u>Restatment Adjustment</u>	<u>Adjusted Beginning Fund Balance</u>
Welfare	\$ 9,727,001	\$ 1,264,505	\$ 10,991,506
Bi-County Behavioral Health	\$ 8,968,053	\$ (1,264,505)	\$ 7,703,548

18. SUBSEQUENT EVENTS

A. COVID-19 PANDEMIC

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was passed. This act made funding available to local governments for costs associated with the activities in response to COVID-19. From July to October 2020, the County received CARES Act funding that totaled \$10,272,390.

Potential impacts to our future tax revenues include disruptions or restrictions on our current employees' ability to work. Any of the foregoing could negatively impact our revenues and we currently can't anticipate all of the ways in which this health pandemic, COVID-19, could adversely impact our government agency.

On October 13, 2020, the Board of Supervisors unanimously approved awarding of grants to existing borrowers of Economic Resiliency Loans. The grant awards were used to forgive \$210,000 of the \$250,000 of loans previously approved by the board on April 7, 2020. These grant awards were funded through the CARES Act.



Required Supplementary Information



Schedule of Changes in Net Pension Liability and Related Ratios - Miscellaneous PlanAgent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

	<i>Reporting Fiscal Year Measurement Date</i>	2020 (2019)	2019 (2018)	2018 (2017)
Total Pension Liability				
Service cost		\$ 7,943,753	\$ 8,296,160	\$ 8,205,868
Interest on total pension liability		27,983,797	26,370,436	25,503,728
Changes of assumptions		-	(2,891,060)	20,548,597
Differences between expected and actual experience		7,599,929	139,300	(4,859,263)
Benefit payments, including refunds of employee contributions		(20,180,176)	(17,885,341)	(16,628,756)
Other differences		(493,075)	(1,293,181)	-
Net Change in total pension liability		22,854,228	12,736,314	32,770,174
Total pension liability - beginning		390,393,132	377,656,818	344,886,644
Total pension liability - ending (a)		413,247,360	390,393,132	377,656,818
Plan Fiduciary Net Position				
Contributions - employer		12,159,667	11,138,700	10,537,924
Contributions - employee		3,392,287	3,461,729	3,511,374
Net investment income		18,423,762	22,611,818	26,759,576
Changes in assumptions		-	-	-
Benefit payments, including refunds of employee contributions		(20,180,176)	(17,885,341)	(16,628,756)
Other differences		(355,577)	(1,588,890)	(4,976)
Administrative expenses		(201,021)	(411,250)	(356,165)
Net plan to plan resources movement		-	(655)	-
Adjustment for Courts		-	-	(99,688)
Net change in plan fiduciary net position		13,238,942	17,326,111	23,719,289
Plan fiduciary net position - beginning		282,047,433	264,721,322	241,002,033
Plan fiduciary net position - ending (b)		295,286,375	282,047,433	264,721,322
Net pension liability - ending (a) - (b)		\$ 117,960,985	\$ 108,345,699	\$ 112,935,496
Plan Fiduciary Net Position as a Percentage of the				
Total Pension Liability		71.46%	72.25%	70.10%
Covered Payroll		\$ 47,193,631	\$ 46,847,175	\$ 45,415,339
Plan Net Pension Liability(Asset) as a Percentage of Payroll		249.95%	231.27%	248.67%

Schedule of Pension Plan Contributions - Miscellaneous Plan

	2020	2019	2018
Actuarially determined contribution	\$ 11,290,917	\$ 9,909,936	\$ 10,537,924
Contributions in relation to the actuarially determined contributions	(11,290,917)	(9,909,936)	(10,537,924)
Contributions deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 46,899,704	\$ 47,193,631	\$ 46,847,175
Contributions as a percentage of covered payroll	24.07%	21.00%	22.49%

*Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

Schedule of Changes in Net Pension Liability and Related Ratios - Miscellaneous Plan

Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

2017 (2016)	2016 (2015)	2015 (2014)	Reporting Fiscal Year Measurement Date
Total Pension Liability			
\$ 7,788,731	\$ 7,663,051	\$ 7,829,813	Service cost
26,037,033	23,502,852	21,710,089	Interest on total pension liability
-	(5,579,922)	-	Changes of assumptions
594,644	(4,578,918)	-	Differences between expected and actual experience
(16,994,611)	(14,200,697)	(13,296,051)	Benefit payments, including refunds of employee contributions
-	12,259,060	-	Other differences
17,425,797	19,065,426	16,243,851	Net Change in total pension liability
327,460,847	308,395,421	292,151,570	Total pension liability - beginning
344,886,644	327,460,847	308,395,421	Total pension liability - ending (a)
Plan Fiduciary Net Position			
9,882,242	8,531,146	8,238,602	Contributions - employer
3,460,310	3,268,310	3,198,949	Contributions - employee
1,370,408	5,352,021	35,852,926	Net investment income
-	-	(15,546,563)	Changes in assumptions
(16,994,611)	(14,200,697)	(13,296,051)	Benefit payments, including refunds of employee contributions
3,578,664	12,049,033	428,607	Other differences
(155,561)	(274,515)	-	Administrative expenses
-	-	-	Net plan to plan resources movement
-	-	-	Adjustment for Courts
1,141,452	14,725,298	18,876,470	Net change in plan fiduciary net position
239,860,581	225,135,283	206,258,813	Plan fiduciary net position - beginning
241,002,033	239,860,581	225,135,283	Plan fiduciary net position - ending (b)
\$ 103,884,611	\$ 87,600,266	\$ 83,260,138	Net pension liability - ending (a) - (b)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			
69.88%	73.25%	73.00%	Covered Payroll
\$ 45,934,148	\$ 45,337,632	\$ 46,145,585	
226.16%	193.22%	180.43%	Plan Net Pension Liability(Asset) as a Percentage of Payroll

Schedule of Pension Plan Contributions - Miscellaneous Plan

2017	2016	2015	
\$ 942,074	\$ 8,548,295	\$ 8,238,602	Actuarially determined contribution
(942,074)	(8,548,295)	(8,238,602)	Contributions in relation to the actuarially determined contributions
\$ -	\$ -	\$ -	Contributions deficiency (excess)
\$ 45,415,339	\$ 45,934,148	\$ 45,337,632	Covered payroll
2.07%	18.61%	18.17%	Contributions as a percentage of covered payroll

*Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios - Safety Plan

Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

	Reporting Fiscal Year Measurement Date	2020 (2019)	2019 (2018)	2018 (2017)
Total Pension Liability				
Service cost		\$ 3,050,002	\$ 3,095,372	\$ 3,136,101
Interest on total pension liability		9,603,238	8,916,900	8,647,227
Changes of assumptions		-	(742,338)	7,324,925
Differences between expected and actual experience		3,712,528	(1,864,269)	(629,979)
Benefit payments, including refunds of employee contributions		(6,602,299)	(5,603,664)	(5,165,757)
Net change in total pension liability		9,763,469	3,802,001	13,312,517
Total pension liability - beginning		132,374,636	128,572,635	115,260,118
Total pension liability - ending (a)		142,138,105	132,374,636	128,572,635
Plan Fiduciary Net Position				
Contributions - employer		4,169,389	3,970,392	3,722,574
Contributions - employee		1,334,452	1,255,295	1,019,846
Net investment income		6,465,706	7,773,766	9,131,684
Benefit payments, including refunds of employee contributions		(6,602,299)	(5,603,664)	(5,165,757)
Administrative Expense		(69,812)	(141,558)	6,407
Net plan to plan resources movement		-	(227)	-
Other differences		227	(268,821)	(121,436)
Net change in plan fiduciary net position		5,297,663	6,985,183	8,593,318
Plan fiduciary net position - beginning		97,827,842	90,842,659	82,249,341
Plan fiduciary net position - ending (b)		103,125,505	97,827,842	90,842,659
Net pension liability - ending (a) - (b)		\$ 39,012,600	\$ 34,546,794	\$ 37,729,976
Plan Fiduciary Net Position as a Percentage of the				
Total Pension Liability		72.55%	73.90%	70.65%
Covered Payroll		\$ 11,198,333	\$ 11,197,562	\$ 10,751,719
Plan Net Pension Liability(Asset) as a Percentage of Payroll		348.38%	308.52%	350.92%

Schedule of Pension Plan Contributions - Safety Plan

	2020	2019	2018
Actuarially determined contribution	\$ 7,233,038	\$ 6,361,945	\$ 3,722,574
Contributions in relation to the actuarially determined contributions	(7,233,038)	(6,361,945)	(3,722,574)
Contributions deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 11,393,396	\$ 11,198,333	\$ 11,197,562
Contributions as a percentage of covered payroll	63.48%	56.81%	33.24%

*Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios - Safety Plan

Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

2017 (2016)	2016 (2015)	2015 (2014)	<i>Reporting Fiscal Year Measurement Date</i>
			Total Pension Liability
\$ 2,720,184	\$ 2,878,691	\$ 2,913,157	Service cost
8,268,025	7,994,762	7,636,180	Interest on total pension liability
-	(1,998,906)	-	Changes of assumptions
(2,485,971)	(1,437,908)	-	Differences between expected and actual experience
<u>(4,893,514)</u>	<u>(4,578,828)</u>	<u>(4,229,813)</u>	Benefit payments, including refunds of employee contributions
3,608,724	2,857,811	6,319,524	Net Change in total pension liability
<u>111,651,394</u>	<u>108,793,583</u>	<u>102,474,059</u>	Total pension liability - beginning
<u>115,260,118</u>	<u>111,651,394</u>	<u>108,793,583</u>	Total pension liability - ending (a)
			Plan Fiduciary Net Position
3,354,947	3,205,510	3,060,634	Contributions - employer
1,026,877	1,004,397	946,187	Contributions - employee
417,478	1,803,726	12,013,249	Net investment income
(4,893,514)	(4,578,828)	(4,229,813)	Benefit payments, including refunds of employee contributions
2,537	(92,691)	-	Administrative Expense
-	-	-	Net plan to plan resources movement
<u>(50,213)</u>	<u>-</u>	<u>-</u>	Other differences
<u>(141,888)</u>	<u>1,342,114</u>	<u>11,790,257</u>	Net change in plan fiduciary net position
<u>82,391,229</u>	<u>81,049,115</u>	<u>69,258,858</u>	Plan fiduciary net position - beginning
<u>82,249,341</u>	<u>82,391,229</u>	<u>81,049,115</u>	Plan fiduciary net position - ending (b)
<u>\$ 33,010,777</u>	<u>\$ 29,260,165</u>	<u>\$ 27,744,468</u>	Net pension liability - ending (a) - (b)
			Plan Fiduciary Net Position as a Percentage of the
71.36%	73.79%	74.50%	Total Pension Liability
\$ 11,191,554	\$ 10,930,351	\$ 11,017,797	Covered Payroll
294.96%	267.70%	251.82%	Plan Net Pension Liability(Asset) as a Percentage of Payroll

Schedule of Pension Plan Contributions - Safety Plan

2017	2016	2015	
\$ 3,354,947	\$ 3,205,510	\$ 3,060,634	Actuarially determined contribution
<u>(3,354,947)</u>	<u>(3,205,510)</u>	<u>(3,060,634)</u>	Contributions in relation to the actuarially determined contributions
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Contributions deficiency (excess)
\$ 10,751,719	\$ 11,191,554	\$ 10,930,351	Covered payroll
31.20%	28.64%	28.00%	Contributions as a percentage of covered payroll

*Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

Schedule of Changes in the County's Total OPEB Liability and Related Ratios

Service Cost	\$ 963,973
Interest	470,664
Changes of benefit terms	-
Differences between expected and actual experience	(2,462,599)
Changes of assumptions	(1,848,952)
Benefit payment	<u>(533,609)</u>
Net change in total OPEB liability	(3,410,523)
Total OPEB liability - beginning	<u>14,854,554</u>
Total OPEB liability - ending (a)	<u>\$ 11,444,031</u>
Covered - employee payroll	\$ 57,884,672
OPEB liability as a percentage of covered - employee payroll	19.77%



**Governmental Funds – General and
Major Special Revenue**



BUDGETARY BASIS OF ACCOUNTING

The County follows these procedures annually in establishing the budgetary data reflected in the financial statements:

1. The County Administrative Officer submits to the Board of Supervisors a proposed draft budget for the fiscal year commencing on the following July 1. The budget includes proposed expenditures and the means of financing them.
2. The Board of Supervisors reviews the proposed budget at regularly scheduled meetings, which are open to the public. The Board also conducts a public hearing on the proposed budget to obtain comments from interested persons.
3. Prior to July 1, the budget is adopted through the passage of a resolution.
4. From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as proposed expenditures become appropriations to the various County departments. The Board of Supervisors may amend the budget by motion during the fiscal year.

Formal budgetary integration is employed as a management control device during the year. The County presents a comparison of annual budgets to actual results for all governmental funds except for debt service funds, the expenditures of which are controlled by provisions of debt agreements. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

Encumbrances outstanding at year end are recorded as reservations of fund balance since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

General Fund

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
Revenues:				
Taxes	\$ 34,162,000	\$ 34,162,000	\$ 34,948,246	\$ 786,246
Licenses and permits	1,988,215	2,018,215	2,308,345	290,130
Fines, forfeits and penalties	52,217	52,217	73,159	20,942
Use of money and property	543,995	550,901	1,036,720	485,819
Intergovernmental	7,463,039	7,777,329	7,242,600	(534,729)
Charges for services	15,154,658	14,897,010	13,931,250	(965,760)
Miscellaneous revenue	10,924,769	10,967,421	1,168,450	(9,798,971)
Total Revenues	70,288,893	70,425,093	60,708,769	(9,716,324)
Expenditures:				
Current:				
General government	17,021,687	17,383,574	15,597,231	1,786,344
Public protection	35,227,204	10,268,984	8,711,199	1,557,785
Public way and facilities	200,000	200,000	174,936	25,064
Health and sanitation	3,858,127	-	-	-
Public assistance	709,787	260,787	156,296	104,491
Education	1,849,868	1,888,404	1,824,607	63,797
Recreation and culture	782,317	1,152,410	938,429	213,981
Capital outlay	703,400	860,200	466,847	393,353
Total Expenditures	60,352,390	32,014,359	27,869,544	4,144,815
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	9,936,503	38,410,734	32,839,226	(5,571,508)
Other Financing Sources (Uses):				
Transfers in	601,403	1,212,757	103,818	(1,108,939)
Transfers out	(8,227,431)	(38,701,876)	(33,514,964)	5,186,912
Total Other Financing Sources (Uses)	(7,626,028)	(37,489,119)	(33,411,146)	4,077,973
Net Change in Fund Balances	2,310,475	921,615	(571,921)	(1,493,535)
Budgetary Fund Balances - Beginning of Year	20,820,285	20,820,285	20,820,285	-
Budgetary Fund Balances - End of Year	\$ 23,130,760	\$ 21,741,900	\$ 20,248,364	\$ (1,493,535)

COUNTY OF SUTTER
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Bi-County Behavioral Health
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines, forfeits and penalties	\$ 6,000	\$ 6,000	\$ 10,849	\$ 4,849
Use of money and property	161,981	162,021	138,518	(23,503)
Intergovernmental	13,742,690	14,839,395	9,889,795	(4,949,600)
Charges for services	1,551,614	1,551,614	1,298,471	(253,143)
Other revenues	86,200	86,200	9,326,482	9,240,282
Total Revenues	<u>15,548,485</u>	<u>16,645,230</u>	<u>20,664,114</u>	<u>4,018,884</u>
Expenditures:				
Health and sanitation	46,519,351	50,809,525	45,446,512	5,363,013
Debt service: interest	10,000	10,000	55,797	(45,797)
Capital Outlay	401,600	556,108	67,586	488,522
Total Expenditures	<u>46,930,951</u>	<u>51,375,633</u>	<u>45,569,895</u>	<u>5,805,738</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(31,382,466)</u>	<u>(34,730,403)</u>	<u>(24,905,781)</u>	<u>9,824,622</u>
Other Financing Sources (Uses):				
Transfers in	30,858,004	34,100,695	23,573,278	(10,527,417)
Transfers out	(4,144,742)	(4,249,477)	(4,103,355)	146,122
Total Other Financing Sources (Uses)	<u>26,713,262</u>	<u>29,851,218</u>	<u>19,469,923</u>	<u>(10,381,295)</u>
Net Change in Fund Balances	(4,669,204)	(4,879,185)	(5,435,858)	(556,673)
Fund Balances - Beginning of Year, restated	<u>7,703,548</u>	<u>7,703,548</u>	<u>7,703,548</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 3,034,344</u>	<u>\$ 2,824,363</u>	<u>\$ 2,267,690</u>	<u>\$ (556,673)</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Welfare

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits	\$ 1,400	\$ 1,400	\$ 1,386	\$ (14)
Use of money and property	114,014	114,015	137,016	23,001
Intergovernmental	40,646,408	41,266,592	40,271,507	(995,085)
Charges for services	743,300	194,300	192,179	(2,121)
Other revenues	24,000	22,538	16,396	(6,142)
Total Revenues	41,529,122	41,598,845	40,618,484	(980,361)
Expenditures:				
Current:				
Public assistance	54,283,007	55,426,827	50,892,657	4,534,170
Capital outlay	33,000	33,000	29,636	3,364
Total Expenditures	54,316,007	55,459,827	50,922,294	4,537,533
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,786,885)	(13,860,982)	(10,303,810)	3,557,172
Other Financing Sources (Uses):				
Transfers in	24,310,559	25,482,532	19,955,236	(5,527,296)
Transfers out	(14,802,469)	(15,527,459)	(9,720,675)	5,806,784
Total Other Financing Sources (Uses)	9,508,090	9,955,073	10,234,561	279,488
Net Change in Fund Balances	(3,278,795)	(3,905,909)	(69,249)	3,836,660
Fund Balances - Beginning of Year	10,991,506	10,991,506	10,991,506	-
Fund Balances - End of Year	\$ 7,712,711	\$ 7,085,597	\$ 10,922,256	\$ 3,836,660

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Public Safety/Trial Courts

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 15,474	\$ 15,474	\$ 17,555	\$ 2,081
Licenses and permits	14,300	14,300	18,221	3,921
Fines, forfeitures and penalties	864,858	864,868	922,003	57,135
Use of money and property	71,635	72,543	128,197	55,654
Intergovernmental	12,732,142	13,556,697	12,352,943	(1,203,754)
Charges for services	27,202,098	939,015	1,008,914	69,899
Other revenues	411,000	411,000	724,593	313,593
Total Revenues	41,311,507	15,873,897	15,172,425	(701,472)
Expenditures:				
Current:				
Public protection	46,882,344	47,641,462	42,167,848	5,473,614
Health and sanitation	-	-	-	-
Capital outlay	580,000	890,344	1,331,843	(441,499)
Total Expenditures	47,462,344	48,531,805	43,499,691	5,032,115
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,150,837)	(32,657,908)	(28,327,265)	4,330,643
Other Financing Sources (Uses):				
Transfers in	17,664,748	44,303,067	40,181,358	(4,121,709)
Transfers out	(11,732,945)	(12,230,301)	(11,563,870)	666,431
Total Other Financing Sources (Uses)	5,931,803	32,072,766	28,617,488	(3,455,278)
Net Change in Fund Balances	(219,034)	(585,142)	290,223	875,365
Fund Balances - Beginning of Year	5,100,301	5,100,301	5,100,301	-
Fund Balances - End of Year	\$ 4,881,267	\$ 4,515,158	\$ 5,390,523	\$ 875,365

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Mental Health Services Act

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 155,000	\$ 157,420	\$ 278,044	\$ 120,624
Intergovernmental	8,000,000	8,000,000	8,096,086	96,086
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	8,155,000	8,157,420	8,374,129	216,709
Expenditures:				
Current:				
Health and sanitation	15,894	18,314	14,947	3,367
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	15,894	18,314	14,947	3,367
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,139,106	8,139,106	8,359,183	220,077
Other Financing Sources (Uses):				
Transfers in	2,273,307	2,273,307	2,273,307	-
Transfers out	(15,204,049)	(18,446,740)	(8,633,042)	9,813,698
Total Other Financing Sources (Uses)	(12,930,742)	(16,173,433)	(6,359,735)	9,813,698
Net Change in Fund Balances	(4,791,636)	(8,034,327)	1,999,448	10,033,775
Fund Balances - Beginning of Year	10,512,313	10,512,313	10,512,313	-
Fund Balances - End of Year	\$ 5,720,677	\$ 2,477,986	\$ 12,511,760	\$ 10,033,775

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Public Safety Realignment

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines, forfeitures and penalties	\$ -	\$ -	\$ -	\$ -
Use of money and property	167,283	171,891	410,978	239,087
Intergovernmental	31,232,480	31,481,639	29,827,499	(1,654,140)
Charges for services	1,413,415	1,411,665	1,415,163	3,498
Other revenues	-	-	-	-
Total Revenues	32,813,178	33,065,195	31,653,640	(1,411,555)
Expenditures:				
Current:				
Public protection	1,600,397	706,734	37,765	668,969
Interest	-	-	-	-
Total Expenditures	1,600,397	706,734	37,765	668,969
Excess (Deficiency) of Revenues Over (Under) Expenditures	31,212,781	32,358,461	31,615,875	(742,586)
Other Financing Sources (Uses):				
Transfers in	12,118,534	12,353,299	11,166,734	(1,186,565)
Transfers out	(42,768,883)	(43,985,994)	(41,287,947)	2,698,047
Total Other Financing Sources (Uses)	(30,650,349)	(31,632,695)	(30,121,213)	1,511,482
Net Change in Fund Balances	562,432	725,766	1,494,662	768,896
Fund Balances - Beginning of Year	14,242,894	14,242,894	14,242,894	-
Fund Balances - End of Year	\$ 14,805,326	\$ 14,968,660	\$ 15,737,556	\$ 768,896

Nonmajor governmental funds are funds that do not meet the definition of a major fund, as described in the glossary. The following funds are presented as nonmajor funds in the CAFR:

Special Revenue Funds

Special Revenue Funds are established to finance particular governmental activities and are financed by specific taxes or other revenues. Such funds are authorized by statutory provisions to pay for certain activities of a continuing nature. Included in the Special Revenue classification are the following funds:

Road

Accounts for financing the construction and maintenance of Sutter County's unincorporated area road systems through planning; environmental analysis; traffic engineering and design; operations; traffic signals, street lights, signs and markings, right-of-way acquisitions; safety related improvements; and radar/speed control.

Special Aviation

This fund is used to account for federal airport and other revenues and expenditures for the provision of capital improvements and equipment maintenance at the Sutter County Airport.

Fish & Game

This fund is used to account for fines and forfeitures received under Section 13003 of the Fish and Game Code and their expenditure for the propagation and conservation of fish and wildlife.

Sutter County Health

Accounts for the range of services provided that are designed to protect and enhance the well-being of the community and needs related to mental health and substance abuse problems. Revenue sources are primarily sales tax revenue and state grants.

Clerk Recorder Funds

Accounts for the various activities of the clerk-recorder such as the County Recorder Upgrade Fee imposed for instruments recorded by the County to support, maintain and improve the County's recording system; provides for repository of official and vital records for the County and files or records a variety of documents, maintains a record of those documents for posterity, and makes certified copies available to the public; and records the revenue for the various candidates running for elections within the County.

Child Support Services

Accounts for the child support services activities within the County.

Economic Development

Economic development activities support infrastructure development, economic and workforce development projects, housing development and rehabilitation, and public.

County Fees and Taxes

The fund is used to collect development impact fees and certain property taxes.

Court Activities

Accounts for court activities such as for the Automated County Warrants Fund, established pursuant to Vehicle Code Section 40508.5, which is used to account for fees imposed if a defendant fails to appear or to comply with any valid court order pursuant to this code. The funds are used for the development and operation of an automated county warrant system. Also included is the Office of Revenue Collections fund which is used to account for the 10% rebate on restitution fine and order monies remitted to the Victim Compensation and Government Claims Board (VCGCB) pursuant to Government Code Section 13966.01. The objective of the rebate is to enhance collection efforts and is intended to create an incentive for the County to aggressively pursue the collection of restitution monies to be utilized to assist other victims of crime.

County Service Areas

The County Service Areas Fund is used to account for the street lighting, public protection, health and sanitation, recreation and culture, public ways, and water utilities services provided by county service area districts in the unincorporated areas of the County.

Water Agencies

The Water Agencies Fund prepares investigations and reports on the County's water requirements, project development, and efficient use of water. The agency provides technical assistance to other County departments, water districts, and the public concerning water availability and water well locations and design.

Other Special Districts

The funds here are community assessment districts which provide canal and lighting maintenance to some communities within the county.

Debt Service

The General Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt.

Capital Projects

The Capital Projects Fund is used to account for financial resources to be used for the acquisition of land or acquisition or construction of major facilities other than those financed by the proprietary fund types.

COUNTY OF SUTTER
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue		
	Road	Special Aviation	Fish & Game
Assets			
Cash and investments	\$ 13,327,016	\$ 60,716	\$ 46,278
Accounts receivable	541	-	-
Due from other governments	794,849	-	287
Interest receivable	49,714	299	170
Taxes receivable	0	-	-
Due from other funds	1,473	-	-
Prepaid Expenses	-	-	-
Inventory	17,586	-	-
Loans receivable	-	-	-
less allowance for doubtful accounts	-	-	-
Total Assets	\$ 14,191,179	\$ 61,014	\$ 46,735
Liabilities			
Accounts payable	\$ 1,382,607	\$ 15	\$ 29
Salaries and benefits payable	57,233	-	-
Deposits payable	170,476	-	-
Due to other funds	3,227	-	-
Advances from other funds	-	-	-
Unearned revenue	88,506	-	-
Total Liabilities	1,702,049	15	29
Deferred Inflows of Resources			
Unavailable revenue	94,461	-	-
Fund Balance			
Nonspendable	17,586	-	-
Restricted	12,377,084	-	46,706
Committed	-	60,999	-
Unassigned	-	-	-
Total Fund Balances	12,394,669	60,999	46,706
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 14,191,179	\$ 61,014	\$ 46,735

COUNTY OF SUTTER
Combining Balance Sheet (continued)
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue		
	Sutter County Health	Clerk-Recorder Funds	Child Support Services Reimbursement/ Adjustment
Assets			
Cash and investments	\$ 4,302,729	\$ 1,862,508	\$ 345,949
Accounts receivable	1,450	5,405	-
Due from other governments	1,471,724	-	-
less allowance for doubtful accounts	-	-	-
Interest receivable	11,880	6,630	1,359
Taxes receivable	-	-	-
Due from other funds	1,015,283	-	545
Prepaid Expenses	-	-	146
Inventory	-	-	-
Loans receivable	500	-	-
less allowance for doubtful accounts	-	-	-
Total Assets	\$ 6,803,565	\$ 1,874,542	\$ 347,999
Liabilities			
Accounts payable	\$ 246,050	\$ 236,901	\$ 1,446
Salaries and benefits payable	189,239	-	50,074
Deposits payable	-	-	-
Due to other funds	1,545,948	102,407	84
Advances from other funds	-	-	-
Unearned revenue	-	-	-
Total Liabilities	1,981,237	339,308	51,604
Deferred Inflows of Resources			
Unavailable revenue	1,036,865	-	-
Fund Balance			
Nonspendable	-	-	146
Restricted	3,771,575	1,535,234	296,249
Committed	-	-	-
Assigned	13,890	-	-
Unassigned	-	-	-
Total Fund Balances	3,785,465	1,535,234	296,395
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 6,803,566	\$ 1,874,542	\$ 347,999

continued

COUNTY OF SUTTER
Combining Balance Sheet (continued)
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue		
	Economic Development	County Fees and Taxes	Court Activities
Assets			
Cash and investments	\$ 640,484	\$ 3,574,028	\$ 611,948
Accounts receivable	-	-	-
Due from other governments	-	-	1,032
Interest receivable	2,542	13,073	2,402
Taxes receivable	-	-	-
Due from other funds	346	-	-
Prepaid Expenses	-	-	-
Inventory	-	-	-
Loans receivable	1,927,117	-	-
less allowance for doubtful accounts	-	-	-
Total Assets	\$ 2,570,489	\$ 3,587,100	\$ 615,382
Liabilities			
Accounts payable	\$ 129	\$ 15,362	\$ 13,460
Salaries and benefits payable	-	-	-
Deposits payable	-	-	-
Due to other funds	346	365,523	9,700
Advances from other funds	-	663,865	-
Unearned revenue	-	-	119,981
Total Liabilities	475	1,044,750	143,141
Deferred Inflows of Resources			
Unavailable revenue	-	-	-
Fund Balance			
Nonspendable	-	-	-
Restricted	2,570,014	2,542,351	472,240
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	2,570,014	2,542,351	472,240
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,570,489	\$ 3,587,100	\$ 615,382

COUNTY OF SUTTER
Combining Balance Sheet (continued)
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue			
	County Service Areas	Water Agencies	Other Special Districts	Total Special Revenue
Assets				
Cash and investments	\$ 2,334,695	\$ 2,442,662	\$ 2,854,187	\$ 32,403,199
Cash with fiscal agent	-	-	-	-
Accounts receivable	-	-	5,341	12,737
Due from other governments	282,943	-	-	2,550,834
Interest receivable	11,394	9,138	10,662	119,262
Taxes receivable	7	191	-	199
Due from other funds	1,857	-	3,008	1,022,512
Prepaid Expenses	-	-	-	146
Inventory	-	-	-	17,586
Loans receivable	-	-	-	1,927,617
less allowance for doubtful accounts	-	-	-	-
Total Assets	\$ 2,630,896	\$ 2,451,992	\$ 2,873,199	\$ 38,054,092
Liabilities				
Accounts payable	\$ 51,857	\$ 458	\$ 7,944	\$ 1,956,258
Salaries and benefits payable	54,894	-	-	351,440
Deposits payable	-	-	80	170,556
Due to other funds	2,270	-	-	2,029,506
Advances from other funds	415,944	-	-	1,079,809
Unearned revenue	-	-	58	208,545
Total Liabilities	524,965	458	8,082	5,796,113
Deferred Inflows of Resources				
Unavailable revenue	-	-	-	1,131,325
Fund Balance				
Nonspendable	-	-	-	17,732
Restricted	2,105,932	2,451,534	2,855,877	31,024,794
Committed	-	-	9,240	70,239
Assigned	-	-	-	13,890
Unassigned	-	-	-	-
Total Fund Balances	2,105,932	2,451,534	2,865,116	31,126,654
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,630,896	\$ 2,451,992	\$ 2,873,199	\$ 38,054,093

continued

COUNTY OF SUTTER

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2020

	Debt Service	Capital Projects	
	General Debt Service	Capital Projects	Total
Assets			
Cash and investments	\$ 70,136	\$ 2,924,578	\$ 35,397,913
Cash with fiscal agent	-	-	-
Accounts receivable	67	1,300,865	1,313,670
Due from other governments	-	-	2,550,834
less allowance for doubtful accounts	-	-	-
Interest receivable	67	5,876	125,205
Taxes receivable	-	-	199
Due from other funds	21,109	566,157	1,609,778
Prepaid Expenses	-	-	146
Inventory	-	-	17,586
Loans receivable	-	-	1,927,617
less allowance for doubtful accounts	-	-	-
Total Assets	\$ 91,379	\$ 4,797,477	\$ 42,942,948
Liabilities			
Accounts payable	\$ 3	\$ 182,972	\$ 2,139,233
Salaries and benefits payable	-	-	351,440
Deposits payable	-	-	170,556
Due to other funds	52,475	-	2,081,980
Advances from other funds	-	-	1,079,809
Unearned revenue	-	-	208,545
Total Liabilities	52,478	182,972	6,031,563
Deferred Inflows of Resources			
Unavailable revenue	-	-	1,131,325
Fund Balance			
Nonspendable	-	-	17,732
Restricted	-	-	31,024,794
Committed	38,902	4,614,505	4,723,645
Assigned	-	-	13,890
Unassigned	-	-	-
Total Fund Balances	38,902	4,614,505	35,780,061
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 91,379	\$ 4,797,477	\$ 42,942,949

COUNTY OF SUTTER

Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	Special Revenue		
	Road	Special Aviation	Fish & Game
Revenues:			
Taxes	\$ 1,286,640	\$ 9,015	\$ -
Licenses and permits	74,380	-	-
Fines and forfeitures	-	-	1,015
Use of money and property	292,353	18,696	1,070
Intergovernmental	9,017,599	10,000	-
Charges for services	75,124	-	-
Other revenues	126,713	-	-
Total Revenues	10,872,810	37,711	2,085
Expenditures:			
Current:			
General government	-	-	-
Public protection	1,820	-	2,437
Public ways and facilities	8,812,626	19,855	-
Health and sanitation	-	-	-
Public assistance	-	-	-
Education	-	-	-
Recreation and cultural	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	692,364	-	-
Total Expenditures	9,506,811	19,855	2,437
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,365,999	17,856	(352)
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	(19,542)	(10,916)	-
Proceeds from issuance of capital lease	-	-	-
Total Other Financing Sources (Uses)	(19,542)	(10,916)	-
Net Change in Fund Balances	1,346,457	6,940	(352)
Fund Balances - Beginning of Year, restated	11,048,212	54,059	47,058
Fund Balances - End of Year	\$ 12,394,669	\$ 60,999	\$ 46,706

COUNTY OF SUTTER

Combining Statement of Revenues, Expenditures
and Changes in Fund Balance (continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	Special Revenue		
	Sutter County Health	Clerk-Recorder Funds	Child Support Services Reimbursement/ Adjustment
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Fines and forfeitures	107,187	-	-
Use of money and property	28,776	39,592	9,235
Intergovernmental	5,656,369	-	2,639,952
Charges for services	2,426,765	284,419	-
Other revenues	4,002	-	-
Total Revenues	8,223,099	324,012	2,649,187
Expenditures:			
Current:			
General government	-	2,311	-
Public protection	-	-	2,491,697
Public ways and facilities	-	-	-
Health and sanitation	13,063,696	-	-
Public assistance	-	-	-
Education	-	-	-
Recreation and cultural	-	-	-
Debt service			
Principal	195,313	-	-
Interest	4,395	-	-
Capital outlay	54,602	-	-
Total Expenditures	13,318,005	2,311	2,491,697
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(5,094,907)	321,701	157,491
Other Financing Sources (Uses):			
Transfers in	11,251,225	-	-
Transfers out	(4,344,226)	(102,407)	(7,238)
Proceeds from issuance of capital lease	-	-	-
Total Other Financing Sources (Uses)	6,906,999	(102,407)	(7,238)
Net Change in Fund Balances	1,812,092	219,293	150,253
Fund Balances - Beginning of Year, restated	1,973,372	1,315,941	146,142
Fund Balances - End of Year	\$ 3,785,465	\$ 1,535,234	\$ 296,395

continued

COUNTY OF SUTTER

Combining Statement of Revenues, Expenditures
and Changes in Fund Balance (continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	Special Revenue		
	Economic Development	County Fees and Taxes	Court Activities
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	312,247	-
Fines and forfeitures	-	-	17,676
Use of money and property	27,563	79,830	14,431
Intergovernmental	-	106,394	-
Charges for services	-	-	8,512
Other revenues	-	-	-
Total Revenues	27,563	498,472	40,619
Expenditures:			
Current:			
General government	572,566	467	350
Public protection	-	18,297	510
Public ways and facilities	-	2,248	-
Health and sanitation	-	1,162	-
Public assistance	2,157	-	-
Education	-	276	-
Recreation and cultural	-	2,915	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
Total Expenditures	574,723	25,364	860
Excess (Deficiency) of Revenues Over (Under) Expenditures	(547,160)	473,108	39,760
Other Financing Sources (Uses):			
Transfers in	3,201	-	-
Transfers out	(3,201)	(481,673)	-
Proceeds from issuance of capital lease	-	-	-
Total Other Financing Sources (Uses)	-	(481,673)	-
Net Change in Fund Balances	(547,160)	(8,565)	39,760
Fund Balances - Beginning of Year, restated	3,117,174	2,550,916	432,481
Fund Balances - End of Year	\$ 2,570,014	\$ 2,542,351	\$ 472,240

continued

COUNTY OF SUTTER

Combining Statement of Revenues, Expenditures and Changes in Fund Balance (continued)

Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	Special Revenue		
	County Service Area	Water Agencies	Other Special Districts
Revenues:			
Taxes	\$ 3,247,026	\$ 181,352	\$ 219,642
Licenses and permits	-	-	3,890
Fines and forfeitures	12,250	-	783
Use of money and property	59,336	56,442	64,919
Intergovernmental	214,439	5,885	820
Charges for services	762,343	-	13,894
Other revenues	28,448	-	9,250
Total Revenues	4,323,842	243,679	313,198
Expenditures:			
Current:			
General government	-	-	424
Public protection	4,059,239	-	10,771
Public ways and facilities	-	179,541	148,495
Health and sanitation	-	-	-
Public assistance	-	-	-
Education	-	-	-
Recreation and cultural	-	-	2
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	318,788	-	-
Total Expenditures	4,378,026	179,541	159,691
Excess (Deficiency) of Revenues Over (Under) Expenditures	(54,184)	64,138	153,507
Other Financing Sources (Uses):			
Transfers in	201,966	-	-
Transfers out	(24,596)	-	-
Proceeds from issuance of capital lease	-	-	-
Total Other Financing Sources (Uses)	177,369	-	-
Net Change in Fund Balances	123,185	64,138	153,507
Fund Balances - Beginning of Year, restated	1,982,746	2,387,396	2,711,609
Fund Balances - End of Year	\$ 2,105,932	\$ 2,451,534	\$ 2,865,116

continued

COUNTY OF SUTTER

Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	Debt Service	Capital Projects	
	General Debt Service	Capital Projects	Total
Revenues:			
Taxes	\$ -	\$ -	\$ 4,943,675
Licenses and permits	-	-	390,518
Fines and forfeitures	-	-	138,912
Use of money and property	593	60,420	753,258
Intergovernmental	-	1,879,035	19,530,494
Charges for services	67	(0)	3,571,125
Other revenues	-	1,302,365	1,470,778
Total Revenues	661	3,241,820	30,798,759
Expenditures:			
Current:			
General government	41	3,448,841	4,024,999
Public protection	-	-	6,584,770
Public ways and facilities	-	-	9,162,765
Health and sanitation	-	-	13,064,858
Public assistance	-	-	2,157
Education	-	-	276
Recreation and cultural	-	-	2,917
Debt service			
Principal	460,015	-	655,328
Interest	232,871	-	237,266
Capital outlay	-	3,364,389	4,430,143
Total Expenditures	692,927	6,813,230	38,165,479
Excess (Deficiency) of Revenues Over (Under) Expenditures	(692,267)	(3,571,410)	(7,366,720)
Other Financing Sources (Uses):			
Transfers in	713,995	4,393,703	16,564,090
Transfers out	-	-	(4,993,799)
Proceeds from issuance of capital lease	-	604,079	604,079
Total Other Financing Sources (Uses)	713,995	4,997,782	12,174,369
Net Change in Fund Balances	21,729	1,426,372	4,807,649
Fund Balances - Beginning of Year	17,173	3,188,133	30,972,412
Fund Balances - End of Year	\$ 38,902	\$ 4,614,505	\$ 35,780,061

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Road

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,238,403	\$ 1,238,403	\$ 1,286,640	\$ 48,237
Licenses and permits	44,100	44,106	74,380	30,274
Fines and forfeitures	-	-	-	-
Use of money and property	168,100	168,316	292,353	124,037
Intergovernmental	8,996,823	8,996,823	9,017,599	20,776
Charges for services	105,811	128,497	75,124	(53,373)
Other revenue	600	600	126,713	126,113
Total Revenues	<u>10,553,837</u>	<u>10,576,745</u>	<u>10,872,810</u>	<u>296,065</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	1,778	1,821	1,820	1
Public way and facilities	12,398,838	15,112,411	8,812,626	6,299,785
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	711,500	957,763	692,364	265,398
Total Expenditures	<u>13,112,116</u>	<u>16,071,995</u>	<u>9,506,811</u>	<u>6,565,184</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,558,279)</u>	<u>(5,495,250)</u>	<u>1,365,999</u>	<u>(6,269,119)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(21,015)	(21,015)	(19,542)	1,473
Total Other Financing Sources (Uses)	<u>(21,015)</u>	<u>(21,015)</u>	<u>(19,542)</u>	<u>1,473</u>
Net Change in Fund Balances	(2,579,294)	(5,516,265)	1,346,457	(6,267,646)
Budgetary Fund Balances - Beginning of Year	<u>11,048,212</u>	<u>11,048,212</u>	<u>11,048,212</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 8,468,918</u>	<u>\$ 5,531,947</u>	<u>\$ 12,394,669</u>	<u>\$ (6,267,646)</u>

COUNTY OF SUTTER
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Sutter County Health
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	82,465	89,591	107,187	17,596
Use of money and property	20,777	22,622	28,776	6,154
Intergovernmental	4,129,420	5,674,906	5,656,369	(18,537)
Charges for services	6,231,292	2,794,955	2,426,765	(368,190)
Other revenue	-	-	4,002	4,002
Total Revenues	<u>10,463,954</u>	<u>8,582,074</u>	<u>8,223,099</u>	<u>(358,975)</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	-	-	-	-
Public way and facilities	-	-	-	-
Health and sanitation	14,943,293	16,003,054	13,063,696	2,939,358
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Debt service				
Principal	-	-	195,313	(195,313)
Interest	-	-	4,395	(4,395)
Capital outlay	-	54,602	54,602	-
Total Expenditures	<u>14,943,293</u>	<u>16,057,656</u>	<u>13,318,005</u>	<u>2,739,651</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,479,339)</u>	<u>(7,475,582)</u>	<u>(5,094,907)</u>	<u>(3,098,626)</u>
Other Financing Sources (Uses):				
Transfers in	9,378,476	13,789,441	11,251,225	(2,538,216)
Transfers out	(4,677,333)	(5,726,087)	(4,344,226)	1,381,861
Total Other Financing Sources (Uses)	<u>4,701,143</u>	<u>8,063,354</u>	<u>6,906,999</u>	<u>(1,156,355)</u>
Net Change in Fund Balances	221,804	587,772	1,812,092	(4,254,981)
Budgetary Fund Balances - Beginning of Year	<u>1,973,372</u>	<u>1,973,372</u>	<u>1,973,372</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 2,195,176</u>	<u>\$ 2,561,144</u>	<u>\$ 3,785,464</u>	<u>\$ (4,254,981)</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Aviation

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 14,000	\$ 14,000	\$ 9,015	\$ (4,985)
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	18,594	18,594	18,696	102
Intergovernmental	10,000	10,000	10,000	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	<u>42,594</u>	<u>42,594</u>	<u>37,711</u>	<u>(4,883)</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	-	-	-	-
Public way and facilities	26,021	26,021	19,855	6,166
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>26,021</u>	<u>26,021</u>	<u>19,855</u>	<u>6,166</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>16,573</u>	<u>16,573</u>	<u>17,856</u>	<u>1,283</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	(35,000)	(10,916)	24,084
Total Other Financing Sources (Uses)	<u>-</u>	<u>(35,000)</u>	<u>(10,916)</u>	<u>24,084</u>
Net Change in Fund Balances	16,573	(18,427)	6,940	25,367
Budgetary Fund Balances - Beginning of Year	<u>54,059</u>	<u>54,059</u>	<u>54,059</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 70,632</u>	<u>\$ 35,632</u>	<u>\$ 60,999</u>	<u>\$ 25,367</u>

COUNTY OF SUTTER
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Fish & Game
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	3,000	3,000	1,015	(1,985)
Use of money and property	1,005	1,005	1,070	65
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	4,005	4,005	2,085	(1,920)
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	24,233	24,233	2,437	21,796
Public way and facilities	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	24,233	24,233	2,437	21,796
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,228)	(20,228)	(352)	(23,715)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(20,228)	(20,228)	(352)	(23,715)
Budgetary Fund Balances - Beginning of Year	47,058	47,058	47,058	-
Budgetary Fund Balances - End of Year	\$ 26,830	\$ 26,830	\$ 46,706	\$ (23,715)

COUNTY OF SUTTER
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Clerk-Recorder Funds
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	10	425	39,592	39,167
Intergovernmental	-	-	-	-
Charges for services	1,195,000	1,195,000	284,419	(910,581)
Other revenue	-	-	-	-
Total Revenues	<u>1,195,010</u>	<u>1,195,425</u>	<u>324,012</u>	<u>(871,413)</u>
Expenditures:				
Current:				
General government	1,264,109	901,816	2,311	899,505
Public protection	186	204	-	204
Public way and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>1,264,295</u>	<u>902,020</u>	<u>2,311</u>	<u>899,709</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(69,285)</u>	<u>293,405</u>	<u>321,701</u>	<u>28,296</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	(362,690)	(102,407)	260,283
Total Other Financing Sources (Uses)	<u>-</u>	<u>(362,690)</u>	<u>(102,407)</u>	<u>260,283</u>
Net Change in Fund Balances	(69,285)	(69,285)	219,293	288,578
Budgetary Fund Balances - Beginning of Year	<u>1,315,941</u>	<u>1,315,941</u>	<u>1,315,941</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 1,246,656</u>	<u>\$ 1,246,656</u>	<u>\$ 1,535,234</u>	<u>\$ 288,578</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 Child Support Services Reimbursement/Adjustment
 For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	4,000	4,000	9,235	5,235
Intergovernmental	3,010,922	3,010,922	2,639,952	(370,970)
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	3,014,922	3,014,922	2,649,187	(365,735)
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	3,000,873	3,000,873	2,491,697	509,176
Public way and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	3,000,873	3,000,873	2,491,697	509,176
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,049	14,049	157,491	143,442
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(14,049)	(14,049)	(7,238)	6,811
Total Other Financing Sources (Uses)	(14,049)	(14,049)	(7,238)	6,811
Net Change in Fund Balances	-	-	150,253	150,253
Budgetary Fund Balances - Beginning of Year	146,142	146,142	146,142	-
Budgetary Fund Balances - End of Year	\$ 146,142	\$ 146,142	\$ 296,395	\$ 150,253

COUNTY OF SUTTER
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Economic Development
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	10,414	18,568	27,563	8,995
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	10,414	18,568	27,563	8,995
Expenditures:				
Current:				
General government	1,386	573,386	572,566	820
Public protection	-	-	-	-
Public way and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	7,847	208,021	2,157	205,864
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	9,233	781,407	574,723	206,684
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,181	(762,839)	(547,160)	(197,688)
Other Financing Sources (Uses):				
Transfers in	-	-	3,201	3,201
Transfers out	-	(3,202)	(3,201)	1
Total Other Financing Sources (Uses)	-	(3,202)	-	3,202
Net Change in Fund Balances	1,181	(766,041)	(547,160)	(194,486)
Budgetary Fund Balances - Beginning of Year	3,117,174	3,117,174	3,117,174	-
Budgetary Fund Balances - End of Year	\$ 3,118,355	\$ 2,351,133	\$ 2,570,014	\$ (194,486)

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

County Fees and Taxes

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	266,500	270,500	312,247	41,747
Fines and forfeitures	-	-	-	-
Use of money and property	78,818	84,383	79,830	(4,553)
Intergovernmental	120,000	120,000	106,394	(13,606)
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	<u>465,318</u>	<u>474,883</u>	<u>498,472</u>	<u>23,589</u>
Expenditures:				
Current:				
General government	1,147	1,147	467	680
Public protection	1,337	18,805	18,297	508
Public way and facilities	379	2,356	2,248	109
Health and sanitation	143	1,162	1,162	-
Public assistance	-	-	-	-
Education	242	276	276	-
Recreation and culture	1,138	3,483	2,915	568
Capital outlay	-	-	-	-
Total Expenditures	<u>4,386</u>	<u>27,230</u>	<u>25,365</u>	<u>1,865</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>460,932</u>	<u>447,653</u>	<u>473,107</u>	<u>25,454</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(116,150)	(1,108,150)	(481,673)	626,477
Total Other Financing Sources (Uses)	<u>(116,150)</u>	<u>(1,108,150)</u>	<u>(481,673)</u>	<u>626,477</u>
Net Change in Fund Balances	344,782	(660,497)	(8,565)	651,931
Budgetary Fund Balances - Beginning of Year	<u>2,550,916</u>	<u>2,550,916</u>	<u>2,550,916</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 2,895,698</u>	<u>\$ 1,890,419</u>	<u>\$ 2,542,350</u>	<u>\$ 651,931</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Court Activities

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	14,000	14,000	17,676	3,676
Use of money and property	25	127	14,431	14,304
Intergovernmental	-	-	-	-
Charges for services	13,000	13,000	8,512	(4,488)
Other revenue	-	-	-	-
Total Revenues	<u>27,025</u>	<u>27,127</u>	<u>40,619</u>	<u>13,492</u>
Expenditures:				
Current:				
General government	2,967	351	350	1
Public protection	456	510	510	-
Public way and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Debt service: interest	-	-	-	-
Total Expenditures	<u>3,423</u>	<u>861</u>	<u>860</u>	<u>1</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>23,602</u>	<u>26,266</u>	<u>39,760</u>	<u>13,494</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	(2,664)	-	2,664
Total Other Financing Sources (Uses)	<u>-</u>	<u>(2,664)</u>	<u>-</u>	<u>2,664</u>
Net Change in Fund Balances	23,602	23,602	39,760	16,158
Budgetary Fund Balances - Beginning of Year	<u>432,481</u>	<u>432,481</u>	<u>432,481</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 456,083</u>	<u>\$ 456,083</u>	<u>\$ 472,240</u>	<u>\$ 16,158</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

County Service Areas

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 3,115,300	\$ 3,157,567	\$ 3,247,026	\$ 89,459
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	12,250	12,250
Use of money and property	33,387	34,782	59,336	24,554
Intergovernmental	31,000	295,898	214,439	(81,459)
Charges for services	777,960	789,809	762,343	(27,466)
Other revenue	-	-	28,448	28,448
Total Revenues	<u>3,957,647</u>	<u>4,278,056</u>	<u>4,323,842</u>	<u>45,786</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	3,954,599	4,233,718	4,059,239	174,479
Public way and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	883,900	994,913	318,788	676,125
Total Expenditures	<u>4,838,499</u>	<u>5,228,631</u>	<u>4,378,026</u>	<u>850,605</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(880,852)</u>	<u>(950,575)</u>	<u>(54,184)</u>	<u>896,391</u>
Other Financing Sources (Uses):				
Transfers in	251,526	251,526	201,966	(49,560)
Transfers out	(26,424)	(26,424)	(24,596)	1,828
Total Other Financing Sources (Uses)	<u>225,102</u>	<u>225,102</u>	<u>177,369</u>	<u>(47,733)</u>
Net Change in Fund Balances	(655,750)	(725,473)	123,185	848,658
Budgetary Fund Balances - Beginning of Year	<u>1,982,746</u>	<u>1,982,746</u>	<u>1,982,746</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 1,326,996</u>	<u>\$ 1,257,273</u>	<u>\$ 2,105,932</u>	<u>\$ 848,658</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Water Agencies
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 167,200	\$ 175,408	\$ 181,352	\$ 5,944
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	37,488	37,489	56,442	\$ 18,953
Intergovernmental	4,500	5,648	5,885	237
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	<u>209,188</u>	<u>218,545</u>	<u>243,679</u>	<u>25,134</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	-	-	-	-
Public way and facilities	218,302	229,660	179,541	50,119
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>218,302</u>	<u>229,660</u>	<u>179,541</u>	<u>50,119</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,114)</u>	<u>(11,115)</u>	<u>64,138</u>	<u>75,253</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(9,114)	(11,115)	64,138	75,253
Budgetary Fund Balances - Beginning of Year	<u>2,387,396</u>	<u>2,387,396</u>	<u>2,387,396</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 2,378,282</u>	<u>\$ 2,376,281</u>	<u>\$ 2,451,534</u>	<u>\$ 75,253</u>

COUNTY OF SUTTER
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Other Special Districts
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 216,303	\$ 216,303	\$ 219,642	\$ 3,339
Licenses and permits	5,205	5,205	3,890	(1,315)
Fines and forfeitures	-	-	783	783
Use of money and property	40,935	41,177	64,919	23,742
Intergovernmental	925	925	820	(105)
Charges for services	13,920	13,920	13,894	(26)
Other revenue	7,150	7,150	9,250	2,100
Total Revenues	284,438	284,680	313,198	28,518
Expenditures:				
Current:				
General government	415	425	424	1
Public protection	16,940	16,945	10,771	6,174
Public way and facilities	248,663	248,893	148,495	100,398
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	5	5	2	3
Capital outlay	-	-	-	-
Total Expenditures	266,023	266,268	159,691	106,577
Excess (Deficiency) of Revenues Over (Under) Expenditures	18,415	18,412	153,507	(78,059)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	18,415	18,412	153,507	(78,059)
Budgetary Fund Balances - Beginning of Year	2,711,609	2,711,609	2,711,609	-
Budgetary Fund Balances - End of Year	\$ 2,730,024	\$ 2,730,021	\$ 2,865,116	\$ (78,059)

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Debt Service

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	-	593	593
Intergovernmental	51	51	-	(51)
Charges for services	-	-	67	67
Other revenue	17	17	-	(17)
Total Revenues	<u>68</u>	<u>68</u>	<u>661</u>	<u>593</u>
Expenditures:				
Current:				
General government	-	-	41	(41)
Public protection	-	-	-	-
Public way and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Debt service:Principal	506,816	506,816	460,015	46,801
Debt service:Interest	260,498	260,498	232,871	27,627
Capital outlay	-	-	-	-
Total Expenditures	<u>767,314</u>	<u>767,314</u>	<u>692,927</u>	<u>74,387</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(767,246)</u>	<u>(767,246)</u>	<u>(692,267)</u>	<u>74,979</u>
Other Financing Sources (Uses):				
Transfers in	767,274	767,274	713,995	(53,279)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>767,274</u>	<u>767,274</u>	<u>713,995</u>	<u>(53,279)</u>
Net Change in Fund Balances	28	28	21,729	21,701
Budgetary Fund Balances - Beginning of Year	<u>17,173</u>	<u>17,173</u>	<u>17,173</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 17,201</u>	<u>\$ 17,201</u>	<u>\$ 38,902</u>	<u>\$ 21,701</u>

COUNTY OF SUTTER

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Capital Projects Fund

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 60,420	\$ 60,420
Intergovernmental	1,486,927	2,366,075	1,879,035	(487,040)
Charges for services	-	-	(0)	(0)
Other revenues	1,113,698	1,340,549	1,302,365	(38,184)
Total Revenues	2,600,625	3,706,624	3,241,820	(464,804)
Expenditures:				
Current:				
General government	297,404	297,404	3,448,841	(3,151,437)
Public protection	1,085,769	2,135,100	-	2,135,100
Health & sanitation	814,712	2,167,471	-	2,167,471
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	4,518,941	5,782,832	3,364,389	2,418,443
Total Expenditures	6,716,826	10,382,807	6,813,230	3,569,577
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,116,201)	(6,676,183)	(3,571,410)	3,104,773
Other Financing Sources (Uses):				
Transfers in	4,111,828	6,192,603	4,393,703	(1,798,900)
Transfers out	(600,000)	(600,000)	-	600,000
Proceeds from issuance of capital lease	-	-	604,079	604,079
Total Other Financing Sources (Uses)	3,511,828	5,592,603	4,997,782	(594,821)
Net Change in Fund Balances	(604,373)	(1,083,580)	1,426,372	2,509,952
Fund Balances - Beginning of Year	3,188,133	3,188,133	3,188,133	-
Fund Balances - End of Year	\$ 2,583,760	\$ 2,104,553	\$ 4,614,505	\$ 2,509,952

COUNTY OF SUTTER
Combining Statement of Net Position
Internal Service Funds
June 30, 2020

	Risk Management		Fleet Management
	General Liability	Workers' Compensation	
Assets			
Current Assets:			
Cash and investments	\$ 304,748	\$ 132,892	\$ 181,823
Cash with fiscal agent	946,085	5,728,318	-
Accounts receivable	-	-	472
Interest receivable	1,079	578	8
Taxes receivable	-	-	-
Due from other funds	-	-	-
Deposits with others	-	-	-
Prepaid expenses	-	-	-
Inventory	-	-	11,197
Total Current Assets	1,251,912	5,861,788	193,500
Noncurrent Assets:			
Capital assets:			
Construction in progress	-	-	-
Depreciable, net	-	-	128,892
Total Noncurrent Assets	-	-	128,892
Total Assets	1,251,912	5,861,788	322,392
Deferred Outflows of Resources:			
Deferred pension	16,147	26,949	90,977
Deferred OPEB	1,181	-	2,625
Total Deferred Outflow of Resources	17,328	26,949	93,602
Liabilities			
Current Liabilities:			
Accounts payable	100	51	19,475
Salaries and benefits payable	6,119	5,684	10,887
Due to other funds	-	50	118
Capital lease payable	-	-	5,405
Compensated absences payable	-	5,904	35,461
Interest payable	-	-	839
Unearned revenue	-	-	-
Total Current Liabilities	6,220	11,689	72,184
Noncurrent Liabilities:			
Compensated absences payable	-	297	1,786
Advance from other funds	-	-	-
Claims payable	1,275,536	5,476,710	-
Capital lease payable	-	-	52,377
Net pension liability	80,303	134,028	452,460
Total OPEB liability	19,710	-	43,800
Total Noncurrent Liabilities	1,375,549	5,611,035	550,423
Total Liabilities	1,381,769	5,622,724	622,608
Deferred Inflows of Resources:			
Deferred pension	1,761	2,939	9,923
Deferred OPEB	7,285	-	16,189
Total Deferred Inflow of Resources	9,046	2,939	26,112
Net Position:			
Net investment in capital assets	-	-	71,109
Unrestricted (deficit)	(121,575)	263,074	(303,836)
Total Net Position	\$ (121,575)	\$ 263,074	\$ (232,727)

continued

COUNTY OF SUTTER

Combining Statement of Net Position (continued)
Internal Service Funds
June 30, 2020

	Information Technology	Employee Wellness	Total
Assets			
Current Assets:			
Cash and investments	\$ 991,096	\$ -	\$ 1,610,559
Cash with fiscal agent	-	-	6,674,403
Accounts receivable	626	18,598	19,696
Interest receivable	1,476	20	3,161
Taxes receivable	-	-	-
Due from other funds	-	-	-
Deposits with others	-	-	-
Prepaid expenses	-	-	-
Inventory	-	-	11,198
Total Current Assets	993,198	18,618	8,319,017
Noncurrent Assets:			
Capital assets:			
Construction in progress	237,282	-	237,282
Depreciable, net	567,585	-	696,476
Total Noncurrent Assets	804,867	-	933,758
Total Assets	1,798,065	18,618	9,252,776
Deferred Outflows of Resources:			
Deferred pension	527,331	-	661,404
Deferred OPEB	11,155	-	14,960
Total Deferred Outflow of Resources	538,486	-	676,365
Liabilities			
Current Liabilities:			
Accounts payable	39,408	1,217	60,251
Salaries and benefits payable	53,664	-	76,354
Due to other funds	4,426	29,489	34,083
Capital lease payable	5,405	-	10,810
Compensated absences payable	207,345	-	248,709
Interest payable	839	-	1,678
Unearned revenue	19,434	-	19,434
Total Current Liabilities	330,521	30,706	451,320
Noncurrent Liabilities:			
Compensated absences payable	10,444	-	12,527
Advance from other funds	-	125,000	125,000
Claims payable	-	-	6,752,246
Capital lease payable	87,750	-	140,127
Net pension liability	2,622,597	-	3,289,388
Total OPEB liability	186,151	-	249,662
Total Noncurrent Liabilities	2,906,941	125,000	10,568,949
Total Liabilities	3,237,463	155,706	11,020,269
Deferred Inflows of Resources:			
Deferred pension	57,516	-	72,139
Deferred OPEB	68,805	-	92,279
Total Deferred Inflow of Resources	126,321	-	164,418
Net Position:			
Net investment in capital assets	711,712	-	782,821
Unrestricted (deficit)	(1,738,944)	(137,088)	(2,038,369)
Total Net Position	\$ (1,027,232)	\$ (137,088)	\$ (1,255,548)

COUNTY OF SUTTER
Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2020

	Risk Management		
	General Liability	Workers' Compensation	Fleet Management
Operating Revenues:			
Charges for services	\$ 1,788,887	\$ 3,066,188	\$ 1,423,919
Other revenue	105,531	636	1,907
Total Operating Revenues	1,894,418	3,066,824	1,425,826
Operating Expenses:			
Salaries and benefits	229,660	170,845	453,047
Services and supplies	1,439,927	1,591,781	374,471
Other charges	47,913	57,440	297,906
Depreciation	-	-	27,366
Total Operating Expenses	1,717,500	1,820,067	1,152,790
Net Operating Income (Loss)	176,918	1,246,757	273,036
Non-Operating Revenues (Expenses):			
Interest income (expense)	7,936	7,206	(3,506)
Fines and penalties	-	-	-
Loss on disposal of capital assets	-	-	-
Total Non-Operating Revenues and Expenses	7,936	7,206	(3,506)
Net Income (Loss) Before Transfers	184,854	1,253,964	269,530
Transfers in	-	-	-
Transfers out	-	(50)	(118)
Change in Net Position	184,854	1,253,913	269,413
Net Position - Beginning of Year	(306,429)	(990,839)	(502,139)
Net Position - End of Year	\$ (121,575)	\$ 263,074	\$ (232,727)

COUNTY OF SUTTER
Combining Statement of Revenues, Expenses and
Changes in Net Position (continued)
Internal Service Funds
For the Year Ended June 30, 2020

	Information Technology	Employee Wellness	Total
Operating Revenues:			
Charges for services	\$ 3,750,626	\$ 325,971	\$ 10,355,591
Other revenue	39,791	6,722	154,588
Total Operating Revenues	3,790,417	332,693	10,510,178
Operating Expenses:			
Salaries and benefits	2,151,078	-	3,004,631
Services and supplies	1,388,571	462,523	5,257,273
Other charges	698,520	-	1,101,779
Depreciation	123,040	-	150,406
Total Operating Expenses	4,361,209	462,523	9,514,089
Net Operating Income (Loss)	(570,792)	(129,829)	996,090
Non-Operating Revenues (Expenses):			
Interest income (expense)	18,038	(3,111)	26,563
Fines and penalties	-	-	-
Loss on disposal of capital assets	(50,042)	-	(50,042)
Total Non-Operating Revenues and Expenses	(32,004)	(3,111)	(23,479)
Net Income (Loss) Before Transfers	(602,796)	(132,940)	972,611
Transfers in	-	-	-
Transfers out	-	-	(168)
Change in Net Position	(602,796)	(132,940)	972,443
Net Position - Beginning of Year	(424,436)	(4,148)	(2,227,991)
Net Position - End of Year	\$ (1,027,232)	\$ (137,088)	\$ (1,255,548)

COUNTY OF SUTTER
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2020

	Risk Management		
	General Liability	Workers' Compensation	Fleet Management
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from customers	\$ 1,894,418	\$ 3,110,553	\$ 1,285,967
Cash paid to suppliers for goods and services	(1,075,509)	(1,649,221)	(691,479)
Cash paid to employees	(170,172)	(199,844)	(400,538)
Net Cash Provided (Used) by Operating Activities	<u>648,737</u>	<u>1,261,488</u>	<u>193,951</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Interfund loans received (paid)	-	(38)	(1,406)
Miscellaneous cash received (paid)	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>(38)</u>	<u>(1,406)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital contributions	-	-	-
Principal payments on capital leases	-	-	(2,664)
Payments related to the acquisition of capital assets	-	-	(1,233)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>(3,897)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received (paid)	7,157	5,994	(6,825)
Net Cash Provided (Used) by Investing Activities	<u>7,157</u>	<u>5,994</u>	<u>(6,825)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	655,894	1,267,445	181,823
Cash and Cash Equivalents, Beginning of Year	594,939	4,593,766	0
Cash and Cash Equivalents, End of Year	<u>\$ 1,250,833</u>	<u>\$ 5,861,210</u>	<u>\$ 181,823</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	176,918	1,246,757	273,036
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	-	-	27,366
Loss on disposal of capital assets	-	-	-
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	-	-	11,479
Deposits and prepaid expenses	-	-	-
Inventory	-	-	1,563
Increase (decrease) in:			
Accounts payable	187	(87)	(21,414)
Salaries and benefits payable	4,356	758	2,158
Compensated absences payable	-	4,817	7,528
Claims liability	412,144	36,482	-
Interest payable	-	-	-
Unavailable/deferred revenue	-	7,247	-
Other liabilities	-	88	(150,499)
Net pension liability	47,473	339	41,229
Total OPEB liability	7,659	(34,914)	1,503
Net Cash Provided (Used) by Operating Activities	<u>\$ 648,737</u>	<u>\$ 1,261,488</u>	<u>\$ 193,951</u>

COUNTY OF SUTTER
Combining Statement of Cash Flows
Internal Service Funds (continued)
For the Year Ended June 30, 2020

	Information Technology	Employee Wellness	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from customers	\$ 3,809,225	\$ 332,116	\$ 10,432,279
Cash paid to suppliers for goods and services	(2,063,191)	(464,877)	(5,944,276)
Cash paid to employees	(2,089,388)	-	(2,859,942)
Net Cash Provided (Used) by Operating Activities	<u>(343,354)</u>	<u>(132,761)</u>	<u>1,628,060</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Interfund loans received (paid)	12,514	154,489	165,559
Miscellaneous cash received (paid)	-	(18,598)	(18,598)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>12,514</u>	<u>135,890</u>	<u>146,961</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital contributions	-	-	-
Principal payments on capital leases	(4,110)	-	(6,773)
Payments related to the acquisition of capital assets	(263,319)	-	(264,552)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(267,428)</u>	<u>-</u>	<u>(271,325)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received (paid)	20,846	(3,129)	24,043
Net Cash Provided (Used) by Investing Activities	<u>20,846</u>	<u>(3,129)</u>	<u>24,043</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(577,422)	-	1,527,739
Cash and Cash Equivalents, Beginning of Year	<u>1,568,518</u>	<u>(0)</u>	<u>6,757,223</u>
Cash and Cash Equivalents, End of Year	<u>\$ 991,096</u>	<u>\$ (0)</u>	<u>\$ 8,284,962</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	(570,792)	(129,829)	996,090
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	123,040	-	150,406
Loss on disposal of capital assets	-	-	-
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	-	-	11,479
Deposits and prepaid expenses	11,727	1,923	13,649
Inventory	-	-	1,563
Increase (decrease) in:			
Accounts payable	11,334	(4,277)	(14,257)
Salaries and benefits payable	2,972	-	10,245
Compensated absences payable	9,180	-	21,525
Claims liability	-	-	448,626
Interest payable	839	-	839
Unavailable/deferred revenue	18,808	-	26,055
Other liabilities	-	(578)	(150,989)

Net pension liability	57,114	-	146,155
Total OPEB liability	<u>(7,576)</u>	<u>-</u>	<u>(33,326)</u>
Net Cash Provided (Used) by			
Operating Activities	<u>\$ (343,354)</u>	<u>\$ (132,761)</u>	<u>\$ 1,628,061</u>



Statistical Section

Statistical Section



The information in this section is not covered by the Independent Auditor’s Report, but is presented as supplemental data for the benefit of the readers of the Comprehensive Annual Financial Report. The objectives of statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to the financial statements, and required supplementary information to understand and assess the County’s economic condition.

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Demographic and Economic Information162

These schedules offer economic and demographic indicators to help the reader understand the socioeconomic environment within which the County’s financial activities take place.

Operating Information164

These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Auditor-Controller’s Office.

COUNTY OF SUTTER
Net Position by Category (unaudited)
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

Governmental activities	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Net Investment in capital assets	\$ 79,978	\$ 75,664	\$ 72,707	\$ 70,414	\$ 72,133	\$ 69,203	\$ 68,552	\$ 81,277	\$ 88,678	\$ 92,732
Restricted for:										
General government	-	-	-	-	-	752	33,612	866	5,824	5,499
Taxes and fees	5,211	7,323	6,702	5,957	581	5,687	-	2,664	2,551	2,542
Public Protection	6,326	8,681	11,383	14,876	16,229	19,767	18,004	21,343	19,262	22,069
Public ways and facilities	10,700	11,290	8,101	9,510	10,691	11,980	16,610	16,186	18,094	19,790
Health and social services	18,538	10,283	26,945	31,417	36,034	38,804	14,189	29,349	26,391	24,091
Public assistance	18	1,341	1,716	1,808	1,583	1,612	14,068	1,784	11,001	12,228
Other	1,298	1,244	1,450	3,367	1,730	1,784	1,005	2,619	4,618	1,247
Unrestricted	<u>32,466</u>	<u>33,353</u>	<u>16,644</u>	<u>11,838</u>	<u>(95,888)</u>	<u>(102,750)</u>	<u>(117,889)</u>	<u>(115,811)</u>	<u>(118,796)</u>	<u>(125,903)</u>
Total governmental activities net position	\$ 154,533	\$ 149,179	\$ 145,648	\$ 149,187	\$ 43,092	\$ 46,839	\$ 48,152	\$ 40,277	\$ 57,623	\$ 54,295
Business-type activities										
Net Investment in capital assets	\$ 1,512	\$ 2,539	\$ 2,295	\$ 2,335	\$ 2,366	\$ 2,269	\$ 2,117	\$ 1,963	\$ 1,489	\$ 2,310
Unrestricted	<u>(965)</u>	<u>(925)</u>	<u>(1,006)</u>	<u>(1,102)</u>	<u>(1,032)</u>	<u>166</u>	<u>172</u>	<u>259</u>	<u>346</u>	<u>405</u>
Total business-type activities net position	\$ 547	\$ 1,613	\$ 1,289	\$ 1,234	\$ 1,335	\$ 2,435	\$ 2,289	\$ 2,222	\$ 1,835	\$ 2,715
Primary Government										
Net Investment in capital assets	\$ 81,490	\$ 78,202	\$ 75,003	\$ 72,749	\$ 74,499	\$ 71,472	\$ 70,670	\$ 83,240	\$ 90,167	\$ 95,041
Restricted for:										
General government	-	-	-	-	-	752	33,612	866	5,824	5,499
Taxes and fees	5,211	7,323	6,702	5,957	581	5,687	-	2,664	2,551	2,542
Public Protection	6,326	8,681	11,383	14,876	16,229	19,767	18,004	21,343	19,262	22,069
Public ways and facilities	10,700	11,290	8,101	9,510	10,691	11,980	16,610	16,186	18,094	19,790
Health and social services	18,538	10,283	26,945	31,417	36,034	38,804	14,189	29,349	26,391	24,091
Public assistance	18	1,341	1,716	1,808	1,583	1,612	14,068	1,784	11,001	12,228
Other	1,298	1,244	1,450	3,367	1,730	1,784	1,005	2,619	4,618	1,247
Unrestricted	<u>31,501</u>	<u>32,428</u>	<u>15,637</u>	<u>10,736</u>	<u>(96,919)</u>	<u>(102,583)</u>	<u>(117,717)</u>	<u>(115,552)</u>	<u>(118,450)</u>	<u>(125,497)</u>
Total primary governmental net position	<u>\$ 155,080</u>	<u>\$ 150,792</u>	<u>\$ 146,937</u>	<u>\$ 150,420</u>	<u>\$ 44,427</u>	<u>\$ 49,274</u>	<u>\$ 50,442</u>	<u>\$ 42,499</u>	<u>\$ 59,458</u>	<u>\$ 57,010</u>

Notes:

* Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.

COUNTY OF SUTTER
Changes in Net Position (unaudited)
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Expenses										
Governmental activities:										
General government	\$ 9,921	\$ 9,239	\$ 13,699	\$ 11,003	\$ 11,552	\$ 12,472	\$ 16,903	\$ 41,030	\$ 31,856	\$ 33,533
Public safety	47,659	47,367	52,494	47,486	42,752	44,724	44,711	46,834	59,864	52,761
Public ways and facilities	9,566	8,050	11,727	7,971	12,705	12,156	12,013	12,162	10,238	11,073
Health and sanitation	40,773	41,837	38,867	34,294	39,832	42,334	42,212	49,935	59,027	59,593
Public assistance	30,753	30,955	27,246	38,116	40,033	40,730	43,204	48,341	46,931	52,451
Education	1,633	1,521	1,282	1,486	1,596	1,635	1,582	1,759	1,744	1,867
Culture and recreation	565	643	686	649	709	741	760	929	566	988
Community development	1,729	87	539	177	30	12	-	-	-	-
Interest on long-term debt	120	180	141	265	347	350	50	367	353	283
Subtotal governmental										
activities expenses	\$ 142,718	\$ 139,880	\$ 146,680	\$ 141,447	\$ 149,555	\$ 155,153	\$ 161,436	\$ 201,357	\$ 210,579	\$ 212,549
Business-type activities:										
Waterworks District No. 1	495	518	601	431	379	508	453	374	833	427
Subtotal business-type										
activities expenses	495	518	601	431	379	508	453	374	833	427
Total expenses	\$ 143,213	\$ 140,397	\$ 147,281	\$ 141,878	\$ 149,934	\$ 155,661	\$ 161,888	\$ 201,731	\$ 211,412	\$ 212,976
Program Revenues										
Governmental activities:										
Fees, fines & charges for services	\$ 9,921	\$ 9,787	\$ 9,337	\$ 8,625	\$ 8,886	\$ 10,417	\$ 20,419	\$ 27,383	\$ 45,613	\$ 24,193
Operating grants & contributions	103,181	87,174	99,466	100,772	100,772	105,395	104,188	128,859	133,715	127,513
Capital grants & contributions	-	-	-	132	114	194	-	-	-	-
Subtotal governmental										
activities	113,102	96,961	108,803	109,529	109,772	116,006	124,607	156,242	179,328	151,706
Business-type activities:										
Fees, fines & charges for services	176	1,567	169	178	219	215	261	260	260	248
Operating Grants	-	-	-	-	246	48	58	-	-	-
Capital Grants	-	-	104	88	-	62	-	45	178	1,061
Unrestricted Interest & Investment Earnings	(10)	17	2	5	2	4	2	1	8	(5)
Miscellaneous	-	-	-	-	13	-	(14)	-	-	-
Subtotal business-type										
activities	166	1,584	276	272	480	328	307	306	446	1,304
Total program revenues	\$ 113,268	\$ 98,545	\$ 109,079	\$ 109,801	\$ 110,252	\$ 116,334	\$ 124,914	\$ 156,548	\$ 179,774	\$ 153,010
Net (expense)/revenue										
Governmental activities	(29,616)	(42,919)	(37,877)	(31,918)	(39,783)	(39,147)	(36,829)	(45,115)	(31,251)	(60,843)
Business-type activities	(329)	1,066	(325)	(160)	101	(180)	(146)	(68)	(387)	877
Total net expense	\$ (29,944)	\$ (41,853)	\$ (38,202)	\$ (32,078)	\$ (39,682)	\$ (39,328)	\$ (36,975)	\$ (45,183)	\$ (31,638)	\$ (59,966)
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	\$ 25,792	\$ 25,900	\$ 25,650	\$ 25,642	\$ 27,175	\$ 28,257	\$ 29,921	\$ 31,175	\$ 31,965	\$ 33,442
Property taxes in lieu of sales taxes	649	605	847	750	910	664	-	-	-	-
Franchise taxes	1,572	1,162	1,223	1,247	1,545	1,296	1,013	1,309	1,263	1,417
Sales and use taxes	2,273	2,603	2,577	2,974	2,853	3,241	2,845	4,348	4,745	4,487
Transportation taxes	90	106	842	801	1,516	1,060	734	860	976	1,015
Transient occupancy taxes	31	29	-	-	-	-	-	-	-	-
Transfer taxes	236	244	365	304	360	342	368	425	455	468
Other	-	-	678	318	298	304	-	436	366	498
Fire taxes	270	277	-	-	-	-	351	-	-	-
Unrestricted interest & investment earnings	1,460	1,210	603	1,662	968	2,010	817	523	3,867	2,909
Tobacco settlement	-	-	1,269	834	826	817	840	1,003	972	932
Miscellaneous	2,412	5,430	1,312	923	1,042	957	1,239	1,473	3,987	12,662
Transfers	-	-	-	-	-	(1,281)	14	-	-	-
Subtotal governmental activities	34,784	37,565	35,366	35,457	37,492	37,666	38,142	41,552	48,596	57,830
Total primary government	\$ 34,784	\$ 37,565	\$ 35,366	\$ 35,457	\$ 37,492	\$ 37,666	\$ 38,142	\$ 41,552	\$ 48,596	\$ 57,830
Changes in net position										
Governmental activities	\$ 5,168	\$ (5,354)	\$ (2,512)	\$ 3,539	\$ (2,291)	\$ (1,481)	\$ 1,313	\$ (3,563)	\$ 17,345	\$ (3,013)
Business-type activities	(329)	1,066	(325)	(160)	101	(180)	(146)	(68)	(387)	877
Total primary government	\$ 4,839	\$ (4,288)	\$ (2,836)	\$ 3,379	\$ (2,190)	\$ (1,661)	\$ 1,167	\$ (3,631)	\$ 16,958	\$ (2,136)

* Notes: Adjustments in 2010: Unrestricted Interest & Investment earnings.
2010: Operating grants and Contributions from \$90,140,290 to \$90,862,705.

COUNTY OF SUTTER
Fund Balances, Governmental Funds (unaudited)
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
General Fund										
Reserved for:										
Encumbrances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Imprest cash	75	45	-	-	-	-	-	-	-	-
Inventory and prepaids	-	-	-	-	-	-	-	-	-	-
Long term receivables and advances	1,713	1,703	-	-	-	-	-	-	-	-
Loans due in more than one year	301	830	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Unreserved:										
Designated	-	-	-	-	-	-	-	-	-	-
Undesignated	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	1,997	1,982	2,890	2,019	1,827	1,772	2,396	2,468
Restricted	23	47	-	-	2	2	20	45	2,518	69
Committed	10,987	9,315	13,770	12,488	13,213	16,493	11,938	8,776	5,673	9,645
Assigned	266	163	640	36	710	462	737	649	472	-
Unassigned	<u>6,643</u>	<u>9,857</u>	<u>5,034</u>	<u>7,452</u>	<u>8,621</u>	<u>7,945</u>	<u>11,083</u>	<u>11,275</u>	<u>9,762</u>	<u>8,067</u>
Subtotal General Fund	<u>20,008</u>	<u>21,960</u>	<u>21,441</u>	<u>21,957</u>	<u>25,436</u>	<u>26,921</u>	<u>25,604</u>	<u>22,517</u>	<u>20,821</u>	<u>20,248</u>
All Other Governmental Funds										
Reserved for:										
Encumbrances	-	-	-	-	-	-	-	-	-	-
Imprest cash	15	344	-	-	-	-	-	-	-	-
Inventory and prepaids	110	133	-	-	-	-	-	-	-	-
Long term receivables and advances	5,560	4,193	-	-	-	-	-	-	-	-
Loans due in more than one year	2,888	832	-	-	-	-	-	-	-	-
Library endowment	-	30	-	-	-	-	-	-	-	-
Unreserved:										
Designated	-	-	-	-	-	-	-	-	-	-
Undesignated	-	-	-	-	-	-	-	-	-	-
Capital projects fund:										
Designated	-	-	-	-	-	-	-	-	-	-
Undesignated	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	172	207	172	207	2,598	2,321	2,459	107
Restricted	35,391	40,294	48,003	57,014	62,023	69,082	71,398	68,065	73,426	77,705
Committed	385	380	254	6,613	2,641	348	4,537	5,183	3,609	4,765
Assigned	179	18	1	256	-	-	1	2,802	29	34
Unassigned	<u>(100)</u>	<u>(79)</u>	<u>(158)</u>	<u>(106)</u>	<u>(116)</u>	<u>(701)</u>	<u>(6,649)</u>	<u>(3,405)</u>	<u>-</u>	<u>-</u>
Subtotal all other governmental funds	<u>44,428</u>	<u>46,144</u>	<u>48,273</u>	<u>63,983</u>	<u>64,720</u>	<u>68,936</u>	<u>71,884</u>	<u>74,966</u>	<u>79,523</u>	<u>82,610</u>
Total government fund balance	<u>\$ 64,437</u>	<u>\$ 68,104</u>	<u>\$ 69,714</u>	<u>\$ 85,941</u>	<u>\$ 90,157</u>	<u>\$ 95,858</u>	<u>\$ 97,489</u>	<u>\$ 97,483</u>	<u>\$ 100,344</u>	<u>\$ 102,858</u>

COUNTY OF SUTTER
Changes in Fund Balances, Governmental Funds (unaudited)
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Revenues (by source)										
Taxes	\$ 29,340	\$ 29,763	\$ 30,958	\$ 30,791	\$ 33,112	\$ 33,868	\$ 34,219	\$ 37,245	\$ 38,507	\$ 39,909
Licenses and permits	2,457	2,091	2,137	2,194	2,690	2,530	2,003	2,353	2,657	2,718
Fines, forfeitures and penalties	1,152	1,255	1,162	1,111	1,366	1,032	882	1,073	1,197	1,145
Use of money and property	1,399	1,170	618	1,611	953	1,976	800	552	3,858	2,883
Intergovernmental	93,428	90,922	100,055	102,231	104,527	104,337	105,719	130,531	130,017	127,211
Charges for services	8,283	6,862	7,261	6,567	6,374	8,150	18,631	25,936	42,592	21,417
Other revenues	2,417	5,418	2,581	1,757	1,868	1,774	1,889	2,361	4,356	12,707
Total revenues	<u>138,475</u>	<u>137,479</u>	<u>144,771</u>	<u>146,262</u>	<u>150,889</u>	<u>153,667</u>	<u>164,141</u>	<u>200,051</u>	<u>223,184</u>	<u>207,990</u>
Expenditures (by function)										
General government	8,854	6,802	10,718	10,142	10,121	10,034	16,544	26,194	19,871	19,622
Public protection	47,261	46,145	51,678	46,205	42,340	43,516	45,208	58,483	73,551	57,502
Public ways and facilities	7,623	4,890	10,643	4,723	9,232	8,467	9,190	13,381	8,281	9,338
Health and sanitation	40,604	41,421	38,527	33,845	36,812	39,805	41,825	48,006	62,013	58,526
Public assistance	30,579	30,595	27,005	37,775	38,189	38,860	42,984	46,917	48,755	51,051
Education	1,626	1,512	1,254	1,463	1,441	1,470	1,572	1,735	1,905	1,825
Culture and recreation	599	642	679	643	686	683	745	1,116	694	941
Community development	1,729	87	539	177	30	12	-	-	-	-
Debt service:										
Principal	145	151	158	222	346	305	84	470	624	655
Interest	120	180	141	95	362	350	58	372	356	293
Issuance costs	-	-	-	-	-	-	-	-	-	-
Capital Outlay	2,742	1,386	1,819	4,237	7,109	3,197	4,435	3,387	4,272	6,326
Total expenditures	<u>141,883</u>	<u>133,812</u>	<u>143,161</u>	<u>139,527</u>	<u>146,668</u>	<u>146,697</u>	<u>162,646</u>	<u>200,061</u>	<u>220,322</u>	<u>206,080</u>
Other Financing Sources (Uses)										
Proceeds on sale of capital assets	-	-	-	-	-	-	106	-	-	-
Transfers in	6,131	18,053	24,537	68,906	77,453	74,973	83,846	102,068	107,637	113,818
Transfers out	(6,131)	(18,053)	(24,537)	(68,906)	(77,458)	(76,242)	(83,817)	(102,068)	(107,637)	(113,818)
Issuance of debt	-	-	-	9,492	-	-	-	-	-	604
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,492</u>	<u>(5)</u>	<u>(1,269)</u>	<u>135</u>	<u>-</u>	<u>-</u>	<u>604</u>
Net change in fund balance	<u>\$ (3,407)</u>	<u>\$ 3,668</u>	<u>\$ 1,610</u>	<u>\$ 16,226</u>	<u>\$ 4,216</u>	<u>\$ 5,701</u>	<u>\$ 1,631</u>	<u>\$ (10)</u>	<u>\$ 2,862</u>	<u>\$ 2,515</u>
Debt service as a percentage										
of noncapital expenditures:	0.19%	0.25%	0.21%	0.23%	0.51%	0.46%	0.09%	0.43%	0.46%	0.48%

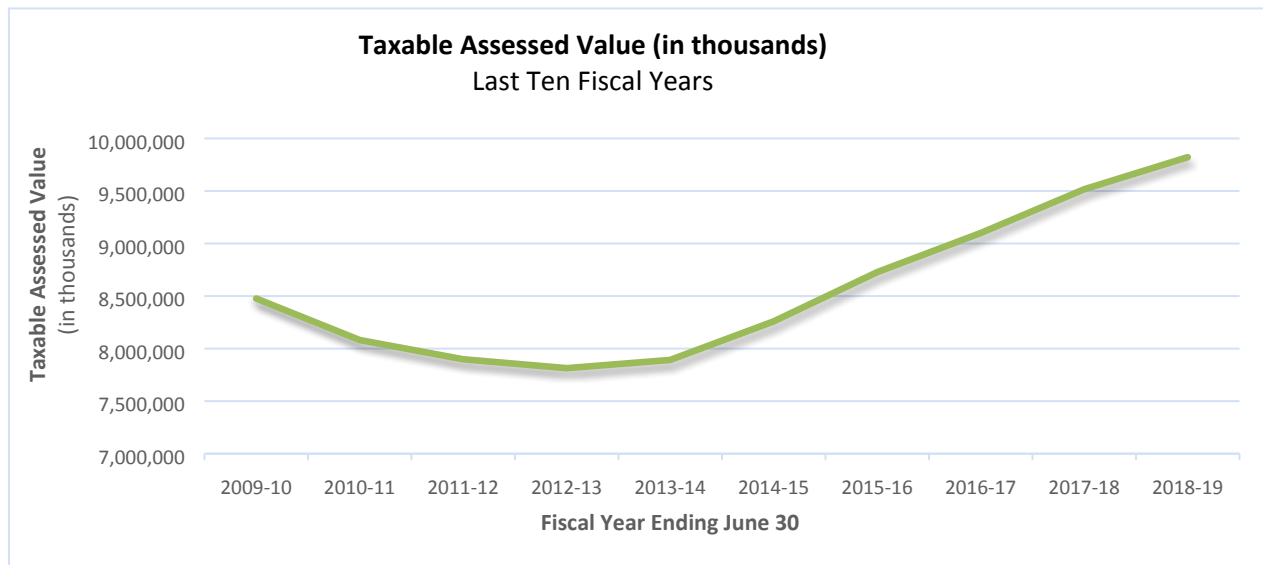
COUNTY OF SUTTER
Assessed Value of Taxable Property and Actual Value of Property (unaudited)
Last Ten Fiscal Years (in thousands)
 (accrual basis of accounting)

Due to the 1978 passage of the property tax initiative Proposition 13 (Prop 13), the County does not track the estimated actual value of all County properties. Under Prop 13, property is assessed at the 1978 market value with an annual increase limited to the lesser of 2% or the consumer price index (CPI) on properties not involved in a change of ownership or properties that did not undergo new construction. Newly acquired property is assessed at its new market value (usually the purchase Price) and the value of any new construction is added to the existing base value of a parcel. As a result, similar properties can have substantially different assessed values based on the date of purchase. Additionally, Prop 13 limits the property tax rate to 1% of assessed value plus the rate necessary to fund local voter-approved bonds and special assessments.

Fiscal Year	(1) Secured	(2) Unsecured	(3) Unitary	(4) Exempt	Total Taxable Assessed value	Total Direct Tax Rate (%)
2010 - 2011	7,692,047	543,289	187,587	(341,280)	8,081,643	1.0000
2011 - 2012	7,537,773	534,744	198,103	(372,113)	7,898,506	1.0000
2012 - 2013	7,424,721	557,327	199,667	(367,800)	7,813,915	1.0000
2013 - 2014	7,521,156	557,430	212,885	(399,302)	7,892,170	1.0000
2014 - 2015	8,231,568	571,216	235,333	(778,802)	8,259,316	1.0000
2015 - 2016	8,295,983	576,315	268,936	(413,438)	8,727,797	1.0000
2016 - 2017	8,654,165	614,175	271,445	(439,548)	9,100,238	1.0000
2017 - 2018	9,095,742	583,896	291,120	(454,149)	9,516,609	1.0000
2018 - 2019	9,510,499	459,004	313,897	(461,355)	9,822,045	1.0000
2019 - 2020	9,904,151	597,600	302,594	(441,115)	10,363,230	1.0000

Notes:

- (1) Local assessed secured property is generally real property, defined as land, mines, minerals, timber, and improvements such as buildings, structures, crops, trees, and vines.
- (2) Unsecured property is generally personal property including machinery, equipment, office tools, and supplies.
- (3) Unitary properties are railroads and utilities crossing the County and are assessed by the State Board of Equalization. Most of the amount reported is unitary but includes a small amount of other state-assessed property.
- (4) Exempt properties include numerous full and partial exclusions/exemptions provided by the State Constitution and the legislature that relieve certain taxpayers from the burden of paying property taxes.



COUNTY OF SUTTER
Property Tax Rates-Direct and Overlapping Governments (unaudited)
(\$1 per \$100 of Assessed Value)
Last Ten Fiscal Years (in thousands)

County direct and overlapping tax rates for the last ten fiscal years are provided below.

Fiscal Year	County Direct Rates	Overlapping Rates		Total
	Sutter County General	K-12 Schools (1)	Yuba College (2)	
2010 - 2011	1.00000%	0.04039%	0.00725%	1.04764%
2011 - 2012	1.00000%	0.03940%	0.00837%	1.04777%
2012 - 2013	1.00000%	0.04225%	0.00832%	1.05057%
2013 - 2014	1.00000%	0.04328%	0.00914%	1.05242%
2014 - 2015	1.00000%	0.04324%	0.00834%	1.05158%
2015 - 2016	1.00000%	0.03952%	0.00831%	1.04783%
2016 - 2017	1.00000%	0.03899%	0.00878%	1.04777%
2017 - 2018	1.00000%	0.03961%	0.00845%	1.04806%
2018 - 2019	1.00000%	0.03958%	0.00749%	1.04707%
2019 - 2020	1.00000%	0.03723%	0.00719%	1.04442%

Notes:

- (1) Rates shown represent a weighted average of the various kindergarten thru 12th grade schools and school district tax rate areas within the County.
- (2) Rates shown represent a weighted average of the Yuba College tax rates within the County.

COUNTY OF SUTTER
Principal Property Taxpayers(unaudited)
June 30, 2018 AND June 30, 2009 (in thousands)

In accordance with GASB Statement No. 44, the following tables present information for the county's principal property taxpayers as of June 30, 2020 and June 30, 2011.

June 30, 2020:

Taxpayers	Type of Business	(1)	Percentage of	(2)	Percentage of
		Net Assessed Secured Property Value	Total Taxable Assessed Value	Total Secured Tax Levy Fiscal Year 2019-20	Total Secured Tax Levy Fiscal Year 2019-20
Pacific Gas & Electric Co.	Utility	\$ 241,328	2.33%	\$ 2,775	2.18%
Sunsweet Growers Inc.	Fruit Processor	74,149	0.72%	741	0.58%
CCFC Sutter Energy, LLC	Utility	43,900	0.42%	439	0.35%
Sysco Food Srvs Sacramento Inc	Food Service	43,220	0.42%	432	0.34%
ELVS LLC	Storage	42,515	0.41%	425	0.33%
Sutter Valley Medical Foundation	Medical	35,088	0.34%	351	0.28%
Miravista LLC	Retail	34,750	0.34%	348	0.27%
Bains Properties LP	Agriculture	33,548	0.32%	335	0.26%
Pelger Road 1700 LLC	Agriculture	32,169	0.31%	322	0.25%
Sutter Basin Growers CO-OP	Agriculture	24,786	0.24%	248	0.19%

June 30, 2011:

Taxpayers	Type of Business	(1)	Percentage of	(2)	Percentage of
		Net Assessed Secured Property Value	Total Taxable Assessed Value	Total Secured Tax Levy Fiscal Year 2010-11	Total Secured Tax Levy Fiscal Year 2010-2011
Calpine Construction Finance	Utility	\$ 228,300	2.82%	\$ 2,283	2.31%
Pacific Gas & Electric Co.	Utility	139,634	1.73%	1,522	1.54%
Venoco Inc	Gas & Oil	122,886	1.52%	1,229	1.25%
Sunsweet Growers Inc	Fruit Processor	72,062	0.89%	721	0.73%
Miravista LLC	Retail	38,403	0.48%	384	0.39%
Calpine Greenleaf Holdings Inc	Utility	36,109	0.45%	361	0.37%
Steadfast Yuba City 1 LLC	Retail	33,101	0.41%	331	0.34%
Twin Cities Hospital LP	Medical	30,085	0.37%	301	0.30%
Sysco Food Srvs Sacramento Inc	Food Service	28,348	0.35%	283	0.29%
Pacific Bell Telephone Company	Phone	19,497	0.24%	213	0.22%

Total Property Tax

Notes:

- (1) Net Assessed Secured amount include Secured & Utility less exemptions.
See "Assessed Value of Taxable Property and Actual Value of Property" schedule for total assessed value.
- (2) Includes 1%, bonds, and fixed charges (Only Secured & Utility Tax Levy amounts).

COUNTY OF SUTTER
Property Tax Levies and Collections (unaudited)
Last Ten Fiscal Years (in thousands)

Property tax levies and collections for the last ten fiscal years are presented below.

Fiscal Year	(1) Taxes Levied	(2) Collections Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2010 - 2011	98,644	96,072	97.39%	1,772	97,844	99.19%
2011 - 2012	97,721	95,993	98.23%	1,210	97,204	99.47%
2012 - 2013	97,023	95,621	98.55%	931	96,551	99.51%
2013 - 2014	98,348	97,132	98.76%	759	97,891	99.54%
2014 - 2015	102,007	100,890	98.91%	650	101,540	99.54%
2015 - 2016	106,781	105,692	98.98%	596	106,288	99.54%
2016 - 2017	110,786	109,893	99.19%	520	110,414	99.66%
2017 - 2018	117,052	116,091	99.18%	1,216	117,307	100.22%
2018 - 2019	123,510	121,260	98.18%	1,148	122,408	99.11%
2019 - 2020	127,148	125,697	98.86%		125,697	98.86%

Notes:

- (1) Secured and Unitary tax levy for the County itself, school districts, cities, and special districts under the supervision of their own governing boards.
- (2) Included are amounts collected by the County on behalf of itself, school districts, cities, and special districts under the supervision of their own governing boards.

COUNTY OF SUTTER
Ratios of Outstanding Debt by Type (unaudited)
Last Ten Fiscal Years (in thousands)

Ratios of outstanding debt for governmental activities and business type activities for the last ten fiscal years are presented below.

Fiscal Year	Governmental Activities					Business-Type Activities			Total Primary Government	Percentage of Personal Income (2)	Per Capita (3)
	Certificates of Participation (1)	Capital Leases	Long-Term Loans	Liability for Self-Insurance	Compensated Absences	Capital Leases	Long-Term Loans	Compensated Absences			
2010 - 2011	-	1,484	70	539	5,054	-	98	-	7,245	0.47%	76
2011 - 2012	-	1,346	55	434	5,486	-	91	-	7,412	0.46%	78
2012 - 2013	-	1,203	41	482	5,565	-	83	-	7,373	0.48%	77
2013 - 2014	-	10,502	25	531	5,892	-	75	-	17,025	0.22%	177
2014 - 2015	-	9,916	-	720	6,314	-	67	-	17,017	0.23%	177
2015 - 2016	-	9,370	-	720	5,826	-	58	-	15,974	0.25%	165
2016 - 2017	-	8,775	-	720	6,168	-	49	-	15,712	0.26%	162
2017 - 2018	-	7,967	-	498	6,324	-	41	-	14,830	0.28%	153
2018 - 2019	-	7,330	-	863	6,169	-	32	-	14,395	0.29%	148
2019-2020	-	7,412	-	1,276	6,650	-	24	-	15,362	0.29%	152

Notes:

- (1) Certificates of Participation are reported within the Capital Leases section on the Notes to the Financial Statements.
- (2) See the "Demographics and Economic Statistics" schedule for personal income and population data. Note that this ratio is calculated using population for the latest calendar year for each corresponding fiscal year.
- (3) See the "Demographics and Economics Statistics" schedule for population figures. Note that this ratio is calculated using population for the latest calendar year for each corresponding fiscal year.

COUNTY OF SUTTER
Computation of Legal Debt Margin (unaudited)
Last Ten Fiscal Years (in thousands)

The legal debt margin for the last ten fiscal years is presented below.

Fiscal Year	(1) Assessed Value	(2) Legal Debt Limit	Total Net Applicable Debt	(3) Legal Debt Margin	Legal Debt Margin/Debt Limit
2010 - 2011	8,081,643	101,021	-	101,021	100%
2011 - 2012	7,898,506	98,731	-	98,731	100%
2012 - 2013	7,813,915	97,674	-	97,674	100%
2013 - 2014	7,892,170	98,652	-	98,652	100%
2014 - 2015	8,259,316	103,241	-	103,241	100%
2015 - 2016	8,727,797	109,097	-	109,097	100%
2016 - 2017	9,100,238	113,753	-	113,753	100%
2017 - 2018	9,516,609	118,958	-	118,958	100%
2018 - 2019	9,822,045	122,776	-	122,776	100%
2019 - 2020	10,363,230	129,540	-	129,540	100%

Notes:

- (1) Property value data can be found in the "Assessed Value of Taxable Property and Actual Value of Property" schedule.
- (2) California Government Code Section 29909 read in conjunction with Revenue and Taxation Code Section 135 imposes a legal debt limitation for General Obligation Bond indebtedness to 1.25% of the total full cash valuation.
- (3) The legal debt margin is the County's available borrowing authority under state finance statutes and is calculated by subtracting the debt applicable to the legal debt limit.

COUNTY OF SUTTER
Direct and overlapping Bonded Debt (unaudited)
As of June 30, 2020

Direct and overlapping debt is provided below.

2019-2020 Assessed Valuation: \$ 10,363,230

Overlapping Tax and Assessment Debt:	Percent Applicable	
	(1)	Debt (2)
Sutter Community Service District	100%	\$ 197,111
Yuba City Unified - 1999	100%	9,499,754
Yuba City Unified - 2004	100%	14,260,234
East Nicolaus High School - 2000	100%	445,000
East Nicolaus High School - 2014	100%	3,650,000
Live Oak Unified School District - 2004	100%	8,670,000
Live Oak Unified School District - 2016	100%	12,655,000
Franklin Elementary School - 2006	100%	2,410,000
Sutter High School - 2008	100%	18,328,955
Woodland Joint Unified School District - 1999	1.05%	144,500
Yuba Community College District	30.98%	96,816,546
Total Overlapping Tax and Assessment Debt		<u>\$ 167,077,100</u>

Notes:

- (1) Percentage of overlapping agency's assessed valuation located within the boundaries of the County.
- (2) Debt as of June 30, 2020

COUNTY OF SUTTER
Demographics and Economic Statistics (unaudited)
Last Ten Fiscal Years (in thousands)

Demographic and economic data for the last ten years are presented below.

(1)	(2)	(3), (4)	Per Capita	(5)	(6)
Year	Population	Personal	Personal	School	Unemployment
		Income	Income	Enrollment	Rate
2011	95,111	3,398	35.7	20,652	20.5%
2012	95,113	3,381	35.6	21,110	19.1%
2013	95,721	3,546	37.0	21,170	17.4%
2014	96,036	3,681	38.3	21,390	15.1%
2015	96,390	3,913	40.6	21,459	13.3%
2016	96,614	4,013	41.5	21,693	12.0%
2017	96,919	4,116	42.5	22,633	11.2%
2018	97,238	4,221	43.4	23,690	9.3%
2019	97,490	4,329	44.4	24,813	9.6%
2020	100,750	4,440	44.1	23,308	8.7%

Detail of estimated population, as of January 1, 2020 (whole numbers):

(2) Incorporated Cities	
Live Oak	9,200
Yuba City	70,458
Total of Incorporated Cities	79,658
Total of Unincorporated Areas	21,092
Total Population	<u>100,750</u>

Notes:

- (1) Calendar year
- (2) Population as of January 1
- (3) Estimated amounts

Sources:

- (2) California Department of Finance
- (4) Bureau of Economic Analysis
- (5) California Department of Education
- (6) Employment Development Department Research Center

COUNTY OF SUTTER
Principal Employers (unaudited)
June 30, 2020 and June 30, 2011

The top ten employers in Sutter County for the fiscal years of 2010 and 2019 are presented below.

June 30, 2020

Company or Organization	Type of Business	Jobs	Percent of Total County Employment
Yuba City Unified School District	Education	1,325	3.07%
Sutter County	Government	989	2.29%
Rush Personnel	Employment Services	661	1.53%
Legend Transportation, Inc	Transportation	650	1.50%
Sunsweet Grower's Inc.,	Food Processing	632	1.46%
Sysco Sacramento, Inc.	Food Distribution	490	1.13%
Sutter North Yuba City	Healthcare	475	1.10%
Walmart - Yuba City	Retail	418	0.97%
Express Employment Professionals	Employment Services	375	0.87%
Sierra Gold Nurseries	Wholesale Plant Nursery	300	0.69%

June 30, 2011

Company or Organization	Type of Business	Jobs	Percent of Total County Employment
Yuba City Unified School District	Education	1,320	2.87%
Sutter County	Government	865	1.88%
Sunsweet Grower's Inc	Fruit Processor	814	1.77%
Fremont - Rideout Health Group	Medical	523	1.14%
Walmart - Yuba City	Retail	480	1.04%
Sysco Sacramento, Inc.	Wholesale Food Distribution	352	0.77%
City of Yuba City	Government	275	0.60%
Pacific Gas & Electric	Utility	206	0.45%
Legend Transportation	Transportation	200	0.43%
Raleys/Bel Air Markets	Retail	182	0.40%

Source:

Sutter County Economic Development Corporation

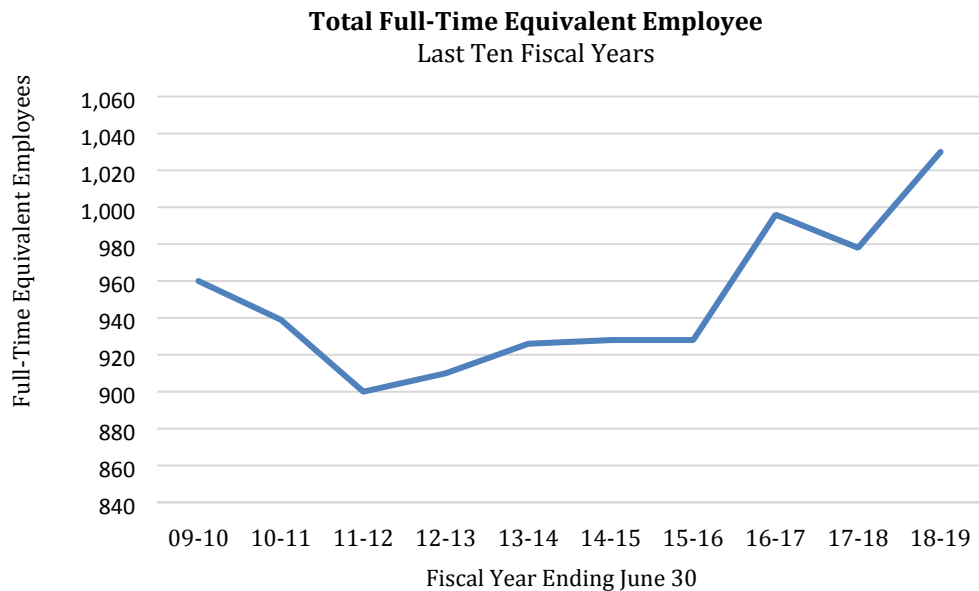
COUNTY OF SUTTER
County Employees by Function/Program (unaudited)
Last Ten Fiscal Years

The number of paid employees and actual full-time equivalent employees for the last ten fiscal years are presented below.

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Paid Employees (1)										
General government	175	175	173	178	166	156	159	169	182	178
Public protection	372	386	380	384	425	394	401	433	403	411
Public ways and facilities	26	27	28	28	25	23	26	27	28	26
Health and sanitation	298	302	310	313	319	318	339	339	470	396
Public assistance	157	164	168	188	209	220	233	275	252	240
Education	28	25	23	21	23	20	21	21	24	20
Recreation and culture	5	5	5	5	6	8	5	6	5	4
Total County employees	1,061	1,084	1,087	1,117	1,173	1,139	1,184	1,270	1,364	1,275
Actual full-time equivalent employees (2)										
General government	160	151	151	146	139	133	141	135	146	144
Public protection	332	311	319	316	325	320	331	321	315	317
Public ways and facilities	23	23	22	22	21	21	22	21	21	24
Health and sanitation	257	250	250	253	251	258	279	271	321	293
Public assistance	139	139	144	165	168	173	202	208	206	205
Education	24	22	20	20	20	19	17	18	17	19
Recreation and culture	4	4	4	4	4	4	4	4	4	3
Total County employees	939	900	910	926	928	928	996	978	1,030	1,005

Note:

- (1) Paid employees: Count of employees paid, including terminated employees. Employees with more than one job will be counted once for each job the employee was paid.
- (2) Actual full-time equivalent employees: Count of number of full-time equivalents paid. For full-time and part-time, the full-time equivalent (FTE) is equal to total amount of payroll checks issued in the fiscal year divided by the number of pay periods in the fiscal year.



COUNTY OF SUTTER
Operating Indicators by Function/Program (unaudited)
Last Ten Fiscal Years

Selected operating indicators for Sutter County for each of its core functions are provided below.

Function/Program	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Public protection:										
Fire:										
Fire emergency responses (1)	1,947	1,876	2,001	2,149	2,159	2,250	2,398	2,555	2,297	2,391
Sheriff:										
Calls for service	40,118	40,056	39,593	39,730	35,829	42,004	39,491	39,883	40,316	43,768
Numbers of bookings (1)	4,923	4,224	4,446	4,485	4,542	4,444	4,323	4,565	4,694	3,986
Probation:										
Juvenile referrals received	570	619	533	554	447	336	295	289	174	202
Adult cases supervised	951	949	968	1,076	1,159	1,067	1,074	1,068	1,053	11,063
Adult reports completed for court	975	948	1,386	1,418	1,088	1,049	924	1,174	1,571	1,423
Juvenile cases supervised	140	127	118	137	99	76	55	48	42	35
Juvenile Hall/Camp Singer bookings	150	150	152	149	129	98	114	83	55	54
Child support:										
Established orders for child support (3)	5,005	4,683	4,627	4,263	4,220	4,199	4,178	4,044	3,959	3,686
Health and sanitation:										
Behavioral Health:										
S-Y Behavioral Health clients served	6,929	5,965	5,930	5,987	6,250	6,511	6,781	6,056	5,676	4,784
Public assistance:										
CalFresh Households (2)	4,258	4,712	5,199	5,200	5,660	5,812	5,635	5,365	5,057	5,588
Medi-Cal Households (2)	8,195	8,765	10,181	15,181	16,944	17,609	16,728	16,859	16,774	16,724

Note:

- (1) Calendar year
- (2) October of Calendar year
- (3) Federal Fiscal Year

COUNTY OF SUTTER
Capital Assets Operating Indicators by Function/Program (unaudited)
Last Ten Fiscal Years

Operating indicators specific to capital assets for the last ten fiscal years are presented below.

Function/Program	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
General government:										
Land (acreage)	262.83	262.83	262.83	262.83	262.83	262.83	262.83	262.83	262.83	264.83
Buildings	16	16	16	16	16	16	16	16	16	16
Vehicles	28	27	27	27	27	30	31	36	33	31
Equipment	140	142	144	162	166	186	195	216	214	181
Public protection:										
Land (acreage)	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79
Fire Stations	2	2	2	2	2	2	2	2	2	2
Jail Facilities	1	1	1	1	1	1	1	1	1	1
Vehicles	147	143	135	134	128	129	138	127	114	143
Fire Trucks	12	11	11	11	11	13	12	10	10	9
Equipment	225	237	240	259	352	387	402	420	414	374
Public ways & facilities:										
Land (acreage)	165.24	165.24	165.24	165.24	165.24	165.24	165.24	165.24	184.5	179.9
Bridges	7	7	7	7	7	7	7	7	7	7
Vehicles	35	35	36	38	38	42	39	39	33	41
Equipment	155	157	162	164	197	200	206	219	218	158
Health & sanitation:										
Vehicles	33	31	31	35	33	32	32	34	32	42
Equipment	40	42	42	54	54	65	69	71	66	60
Public assistance:										
Vehicles	31	29	28	29	28	28	28	29	29	30
Equipment	12	14	14	25	29	33	34	36	36	28
Education:										
Libraries	3	3	3	3	3	3	3	3	3	3
Vehicles	6	6	6	6	6	5	6	6	5	4
Equipment	5	5	5	7	7	13	14	14	14	14
Others										
Recreation & cultural:										
Vehicles	1	1	1	1	1	0	0	0	0	0
Equipment	1	2	2	2	2	9	9	11	11	12

Notes:

Buildings include those that are capitalized but exclude real property that is leased.



Glossary



Accounts payable – A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government.

Accounts receivable – An asset account reflecting amounts due from private persons or organizations for goods and services furnished by a government (but not including amounts due from other funds or other governments).

Accrual basis of accounting – The recording of the financial effects of a government of transactions and other events and circumstances that have cash consequences for the government in the periods in which those transactions, events, and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

Accumulated depreciation – A contra-asset account used to report the accumulation of periodic credits to reflect the expiration of the estimated service life of capital assets.

Active employees – Individuals employed at the end of the reporting or measurement period, as applicable.

Actuarial valuation – The determination, as of a point in time (the actuarial valuation date), of the service cost, total pension liability, and related actuarial present value of projected benefit payments for pensions performed in conformity with Actuarial Standards of Practice unless otherwise specified by the GASB.

Actuarial valuation date – The date as of which an actuarial valuation is performed.

Actuarially determined contribution – A target or recommended contribution to a defined benefit pension plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

Advance from other funds – A liability account used to record noncurrent portions of a long-term loan from one fund to another fund within the same reporting entity. See **Due to other funds** and **Interfund receivable/payable**.

Advance to other funds – An asset account used to record noncurrent portions of a long-term loan from one fund to another fund within the same reporting entity. See **Due from other funds** and **Interfund receivable/payable**.

Agency fund – A fund normally used to account for assets held by a government as an agent for individuals, private organizations, or other governments and/or other funds.

Agent multiple-employer plan – Group of single-employer plans with pooled administrative and investment functions but separate actuarial valuations and contribution rates.

Amortization – The portion of the cost of a limited-life or intangible asset charged as an expense during a particular period. The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity.

Annual OPEB cost – An accrual-basis measure of the periodic cost of an employer's participation in a defined benefit OPEB plan.

Annual Required Contributions (ARC) – Term used in connection with other postemployment benefit plans to describe the amount an employer must contribute in a given year.

Appropriation – A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation usually is limited in amount and time it may be expended.

Assessed valuation – A valuation set upon real estate or other property by a government as a basis for levying taxes.

Assigned fund balance – Amounts that are constrained by the County's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making authority, or by a body or an official designated for that purpose. This is also the classification for residual funds in the County's special revenue funds.

Auditor's report – In the context of a financial audit, a statement by the auditor describing the scope of the audit and the auditing standards applied in the examination, and setting forth the auditor's opinion on the fairness of presentation of the financial information in conformity with GAAP or some other comprehensive basis of accounting.

Balance sheet – The financial statement disclosing the assets, liabilities, and equity of an entity at a specified date in conformity with GAAP.

Basic Financial Statements (BFS) – The minimum combination of financial statements and note disclosures required for fair presentation in conformity with GAAP. Basic financial statements have three components: governmentwide financial statements, fund financial statements, and notes to the financial statements.

Basis of accounting – A term used to refer to when revenues, expenditures, expenses, and transfers, and the related assets and liabilities, are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual method.

Beneficial interest – The right to a portion of the benefits from donated resources pursuant to a split-interest agreement in which the donor enters into a trust or other legally enforceable agreement with characteristics that are equivalent to a split-interest agreement and transfers the resources to an intermediary.

Budget – A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating governing body for adoption, and sometimes, the plan finally approved by that body.

Budgetary control – The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

Business-type activities – One of two classes of activities reported in the governmentwide financial statements. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services. The activities are usually reported in enterprise funds.

Capital assets – Long-lived assets obtained or controlled as a result of past transactions, events, or circumstances. Capital assets include equipment, buildings, and improvements other than buildings; land; infrastructure; and intangible assets. In the private sector, these assets are referred to most often as property, plant and equipment, and intangible assets.

Capital expenditures – Expenditures resulting in the acquisition of or addition to the government’s general capital assets.

Capitalization policy – The criteria used by a government to determine which outlays should be reported as capital assets.

Capital lease – An agreement that conveys the right to use property, plant, or equipment, usually for a stated period of time. See **Lease-purchase agreements**.

Capital projects fund – A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Cash basis of accounting – A basis of accounting under which transactions are recognized only when cash is received or disbursed.

Cash with fiscal agent – An asset account reflecting deposits with fiscal agents, such as commercial banks, for the payment of bond principal and interest.

Certificate of achievement for excellence in financial reporting program – A voluntary program administered by the GFOA to encourage governments to publish efficiently organized and easily readable CAFRs/Component Unit Financial Reports (CUFRs) and to provide technical assistance and peer recognition to the finance officers preparing them.

Change in the fair value of investments – The difference between the fair value of investments at the beginning of the year and at the end of the year, taking into consideration investment purchases, sales, and redemptions.

Closed amortization period – Term used in connection with the unfunded actuarial accrued liability associated with defined benefit pension and other postemployment benefit plans. A specific number of years that is counted from one date and, therefore, declines to zero with the passage of time. For example, if the amortization period is initially 30 years on a closed basis, 29 years remain after the first year, 28 years after the second year, and so forth.

Collective deferred outflows of resources and deferred inflows of resources related to pensions – Deferred outflows of resources and deferred inflows of resources related to pensions arising from certain changes in the collective net pension liability.

Collective net pension liability – The net pension liability for benefits provided through (1) a cost-sharing pension plan or (2) a single-employer or agent pension plan in circumstances in which there is a special funding situation.

Collective pension expense – Pension expense arising from certain changes in the collective net pension liability.

Collective total pension liability – The total pension liability for benefits provided through (a) a pension plan that is used to provide pensions to the employees of a primary government and its component units or (b) a pension plan in circumstances in which there is a special funding situation.

Committed fund balance – Amounts that can only be used for specific purposes determined by formal action of the County’s highest level of decision-making authority (the Board of Supervisors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Compensated absences – Absences, such as vacation, illness, and holidays, for which it is expected employees, will be paid. The term does not encompass severance or termination pay, postretirement benefits, deferred compensation, or other long-term fringe benefits, such as group insurance and long-term disability pay.

Comprehensive Annual Financial Report (CAFR) – A CAFR is a financial report that encompasses all funds and component units of the government. It contains (a) the basic financial statements and required supplementary information, (b) combining statements to support columns in the basic financial statements that aggregate information from more than one fund or component unit, and (c) individual fund statements as needed. It is the governmental unit’s official annual report and it also contains introductory information, schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, and statistical data.

Contingent liability – Items that may become liabilities as a result of conditions undetermined at a given date, such as guarantees, pending lawsuits, judgments under appeal, unsettled disputed claims, unfilled purchase orders, and uncompleted contracts. Contingent liabilities should be disclosed within the financial statements (including the notes) when there is a reasonable possibility a loss may have been incurred. Guarantees, however, should be disclosed even though the possibility of loss may be remote.

Contribution deficiencies – The difference between the annual required contributions (ARC) of the employer(s), and the employer’s actual contributions in relation to the ARC.

Contributions – Additions to a pension plan’s fiduciary net position for amounts from employers, non-employer contributing entities (for example, state government contributions to a local government pension plan), or employees. Contributions can result from cash receipts by the pension plan or from recognition by the pension plan of a receivable from one of these sources.

Cost-of-living adjustments – Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.

Cost-sharing multiple-employer defined benefit pension plan (cost-sharing pension plan) – A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.

Covered payroll – Term used in connection with defined benefit pension and other postemployment benefit plans to describe all elements of annual compensation paid to active employees on which contributions to a plan are based.

Current financial resources measurement focus – Measurement focus according to which the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable (spendable) financial resources. The current financial resources measurement focus is unique to accounting and financial reporting for state and local governments and is used solely for reporting the financial position and results of operations of governmental funds.

Debt – An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants, and notes.

Debt service fund – A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Deferred charges – Expenditures that are not chargeable to the fiscal period in which they were made but that are carried as an asset on the balance sheet, pending amortization or other disposition (e.g., bond issuance costs). Deferred charges differ from prepaid items in that they usually extend over a long period of time (more than five years) and are not regularly recurring costs of operation.

Deficit – (1) The excess of the liabilities of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period or, in the case of proprietary funds, the excess of expenses over revenues during an accounting period.

Defined benefit OPEB plan – Plan having terms that specify the amount of benefits to be provided at or after separation from employment. The benefits may be specified in dollars (for example, a flat dollar payment or an amount based on one or more factors such as age, years of service, and compensation), or as a type or level of coverage (for example, prescription drugs or a percentage of healthcare insurance premiums.)

Defined benefit pension plan – Pension plans that are used to provide defined benefit pensions.

Defined benefit pensions – Pensions for which the income or other benefits that the employee will receive at or after separation from employment are defined by the benefit terms. The pensions may be stated as a specified dollar amount or as an amount that is calculated based on one or more factors such as age, years of service, and compensation.

Depreciation – (1) Expiration in the service life of capital assets, other than wasting assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy, and obsolescence. (2) The portion of the cost of a capital asset, other than a wasting asset, charged as an expense during a particular period. In accounting for depreciation, the cost of a capital asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

Discount rate – A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

Due from other funds – An asset account reflecting amounts owed to a particular fund by another fund for goods sold or services rendered. This account includes only short-term obligations on open accounts, not interfund loans.

Due to other funds – A liability account reflecting amounts owed by a particular fund to another fund for goods sold or services rendered. This account includes only short-term obligations on open account, not interfund loans.

Economic resources measurement focus – Measurement focus under which the aim of a set of financial statements is to report all inflows, outflows, and balances affecting or reflecting an entity's net position. The economic resources measurement focus is used for proprietary and fiduciary funds, as well as for governmentwide financial reporting. It is also used by business enterprises in the private sector.

Employer's contributions – Contributions made in relation to the annual required contributions of the employer (ARC). An employer has made a contribution in relation to the ARC if the employer has (a) made payments of benefits directly to or on behalf of a retiree or beneficiary, (b) made premium payments to an insurer, or (c) irrevocably transferred assets to a trust, or equivalent arrangement, in which plan assets are dedicated to providing benefits to retirees and their beneficiaries in accordance with the terms of the plan and are legally protected from creditors of the employer(s) or plan administrator.

Encumbrances – Commitments related to unperformed (executory) contracts for goods or services. Used in budgeting, encumbrances are not GAAP expenditures or liabilities, but represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed.

Enterprise fund – Proprietary fund type used to report an activity for which a fee is charged to external users for goods and services.

Entry age actuarial cost method – A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age(s). The portion of this actuarial present value allocated to a valuation year is called the *normal cost*. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is called the *actuarial accrued liability*.

Exchange-like transaction – Transaction in which there is an identifiable exchange between the reporting government and another party, but the values exchanged may not be quite equal or the direct benefits of the exchange may not be exclusively for the parties to the exchange.

Expenditures – Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service, and capital outlays, and intergovernmental grants, entitlement, and shared revenues.

Expenditure-driven grants – Government-mandated or voluntary non-exchange transactions in which expenditure is the prime factor for determining eligibility. Also referred to as reimbursement grants.

Expenses – Outflows or other using up of assets or incurrence of liabilities (or a combination of both) from delivering or producing goods, rendering services, or carrying out other activities that constitute the entity's ongoing major or central operations.

External auditors – Independent auditors typically engaged to conduct an audit of a government's financial statements.

External investment pool – An arrangement that commingles (pools) the moneys of more than one legally separate entity and invests, on the participants' behalf, in an investment portfolio; one or more of the participants is not part of the sponsor's reporting entity. An external investment pool can be sponsored by an individual government, jointly by more than one government, or by a nongovernmental entity. An investment pool that is sponsored by an individual state or local government is an external investment pool if it includes participation by a legally separate entity that is not part of the same reporting entity as the sponsoring government. If a government-sponsored pool includes only the primary government and its component units, it is an internal investment pool and not an external investment pool.

Fair value – The amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fiduciary funds – The trust and agency funds used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other government units, and/or other funds.

Financial resources – Resources that are or will become available for spending. Financial resources include cash and resources ordinarily expected to be converted to cash (e.g., receivables or investments). Financial resources may also include inventories and prepaids (because they obviate the need to expend current available resources).

Fiscal agent – A fiduciary agent, usually a bank or county treasurer, who performs the function of paying debt principal and interest when due.

Fund – A fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances, and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions, or limitations.

Fund balance – The difference between fund assets and fund liabilities of governmental and similar trust funds.

Fund financial statements – Basic financial statements presented on the basis of funds. Term used in contrast with *governmentwide financial statements*.

Fund type – Any one of seven categories into which all funds are classified in governmental accounting. The seven fund types are: general, special revenue, debt service, capital projects, enterprise, internal service, and trust and agency.

Funding policy – The program for the amounts and timing of contributions to be made by plan members, employer(s), and other contributing entities (for example, state government contributions to a local government plan) to provide the benefits specified by an OPEB plan.

General fund – The general fund is one of five governmental fund types and typically serves as the chief operating fund of the government. The general fund is used to account for all financial resources except those required to be accounted for in another fund.

General revenues – All revenues that are not required to be reported as program revenues. All taxes, even those that are levied for a specific purpose, are general revenues and should be reported by type of tax (e.g., property tax, sales tax, and transient occupancy tax). All other nontax revenues (including interest, grants, and contributions) that do not meet the criteria to be reported as program revenues should also be reported as general revenues.

Generally Accepted Accounting Principle (GAAP) – The conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements. The various sources of GAAP for state and local governments are set forth by Statement of Accounting Standards (SAS) No. 69, *The Meaning of "Present Fairly in Conformity with Generally Accepted Accounting Principles" in the Independent Auditor's Report*.

Government Finance Officers Association (GFOA) – An association of public finance professionals founded in 1906 as the Municipal Finance Officers Association. The GFOA has played a major role in the development and promotion of GAAP for state and local governments since its inception and has sponsored the Certificate of Achievement for Excellence in Financial Reporting Program since 1946.

Governmental accounting – The composite activity of analyzing, recording, summarizing, reporting, and interpreting the financial transactions of governments.

Governmental Accounting Standards Board (GASB) – The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the National Council on Governmental Accounting (NCGA).

Governmental activities – Activities generally financed through taxes, intergovernmental revenues, and other non-exchange revenues. These activities are usually reported in governmental funds and internal service funds.

Governmental funds – Funds generally used to account for tax-supported activities. The five different types of governmental funds are as follows: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Governmentwide financial statements – Financial statements that incorporate all of a government's governmental and business-type activities, as well as its non-fiduciary component units. There are two basic governmentwide financial statements: the statement of net position and the statement of activities. Both basic governmental financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

Improvement – An addition made to, or change made in, a capital asset, other than maintenance, to prolong its life or to increase its efficiency or capacity. The cost of the addition or change is added to the book value of the asset.

Inactive employees – Terminated individuals that have accumulated benefits but are not yet receiving them, and retirees or their beneficiaries currently receiving benefits.

Indirect expenses – Expenses that cannot be specifically associated with a given service, program, or department and thus, cannot be clearly associated with a particular functional category.

Infrastructure – Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

Interfund receivable/payable – Short-term loans made by one fund to another, or the current portion of an advance to or from another fund.

Interfund transfers – Flow of assets (such as cash or goods) between funds and blended component units of the primary government without equivalent flows of assets in return and without a requirement for payment.

Intermediary – The trustee, fiscal agent, government, or any other legal or natural person that is holding and administering donated resources pursuant to a split-interest agreement. An intermediary is not required to be a third party.

Internal service fund – A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.

Irrevocable split-interest agreement – A split-interest agreement in which the donor has not reserved, or conferred to another person, the right to terminate the agreement at will and have the assets returned to the donor or a third party.

Joint venture – A legal entity or other contractual arrangement in which a government participates as a separate and specific activity for the benefit of the public or service recipients and in which the government retains an ongoing financial interest.

Lapse – As applied to appropriations, the automatic termination of an appropriation. Except for indeterminate appropriations and continuing appropriations, an appropriation is made for a certain period of time. At the end of this period, any unexpended or unencumbered balance thereof lapses, unless otherwise provided by law.

Lead interest – A type of beneficial interest that confers the right to receive all or a portion of the benefits of resources during the term of a split-interest agreement.

Lease-purchase agreements – Contractual agreements that are termed leases, but that in substance are purchase contracts.

Legal level of budgetary control – The level at which spending in excess of budgeted amounts would be a violation of law.

Level of budgetary control – The level at which a government's management may not reallocate resources without special approval from the legislative body.

Level percentage of projected payroll amortization method – Amortization payments are calculated so that they are a constant percentage of the projected payroll of active plan members over a given number of years. The dollar amount of the payments generally will increase over time as payroll increases due to inflation; in dollars adjusted for inflation, the payments can be expected to remain level.

Liabilities – Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

Life-contingent term – A term specifying that the termination of a split-interest agreement is contingent upon the occurrence of a specified event, commonly the death of either the donor or other lead interest beneficiary.

Loans receivable – An asset account reflecting amounts loaned to individuals or organizations external to a government, including notes taken as security for such loans. Loans to other funds and governments should be recorded and reported separately.

Major fund – A governmental fund or enterprise fund reported as a separate column in the basic fund financial statements. The general fund is always a major fund. Otherwise, major funds are funds whose revenues/expenditures, assets, or liabilities are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Any other governmental or enterprise fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

Management's Discussion and Analysis (MD&A) – A component of required supplementary information used to introduce the basic financial statements and to provide an analytical overview of the governments' financial activities.

Measurement focus – A way of presenting an entity's financial performance and position by considering which *resources* are measured (financial or economic) and *when* the effects of transactions or events involving those resources are recognized (the basis of accounting). The measurement focus of governmentwide financial statements, proprietary fund financial statements, and fiduciary fund financial statements is economic resources. The measurement focus of governmental fund financial statements is current financial resources.

Measurement period – The period between the prior and the current measurement dates.

Modified accrual basis of accounting – The accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments (e.g., bond issue proceeds) are recognized when they become susceptible to accrual, that is when they become both "measurable" and "available to finance expenditures of the current period." "Available" means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Generally, expenditures are recognized when the fund liability is incurred. All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting.

Multiple-employer defined benefit pension plan – A defined benefit pension plan that is used to provide pensions to the employees of more than one employer.

Net investment in capital assets – One of three components of net position that must be reported in both governmentwide and proprietary fund financial statements. Related debt, for this purpose, includes the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition construction, or improvement of capital assets of the government.

Net OPEB obligation – In the context of defined benefit pension and other postemployment benefit plans, the cumulative difference between annual pension cost and the employer's contributions to the plan, including the pension/OPEB liability (asset) at transition, if any, and excluding (a) short-term differences and (b) unpaid contributions that have been converted to pension-related/OPEB-related debt.

Net pension liability – The liability of employers and nonemployer contributing entities to employees for benefits provided through a defined benefit pension plan.

Nonspendable fund balance – Amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.

Other financing sources – An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends. The use of the other financing sources category is limited to items so classified by GAAP.

Other financing uses – A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends. The use of other financing uses category is limited to items so classified by GAAP.

Other Postemployment Benefits (OPEB) – Benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are paid in the period after employment and that are provided separately from a pension plan, as well as postemployment healthcare benefits paid in the period after employment (if any), regardless of the manner in which they are provided. Other postemployment benefits do not include termination benefits or termination payments for sick leave.

Overlapping debt – The proportionate share that property within a government must bear of the debts of all local governments located wholly or in part within the geographic boundaries of the reporting government. Except for special assessment debt, the amount of debt of each unit applicable to the reporting unit is arrived at by (1) determining what percentage of the total assessed value of the overlapping jurisdiction lies within the limits of the reporting unit, and (2) applying this percentage to the total debt of the overlapping jurisdiction. Special assessment debt is allocated on the basis of the ratio of assessment receivable in each jurisdiction, which will be used wholly or in part to pay off the debt, to total assessments receivable, which will be used wholly or in part for this purpose.

Pay-as-you-go – a method of financing a pension plan under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments and expenses becoming due.

Payroll growth rate – an actuarial assumption with respect to future increases in total covered payroll attributable to inflation; used in applying the level percentage of projected payroll amortization method.

Pension benefits – Retirement income and all other benefits, including disability benefits, death benefits, life insurance, and other ancillary benefits, except health care benefits, that are provided through a defined benefit pension plan to plan members and beneficiaries after termination of employment or after retirement. Postemployment healthcare benefits are considered other postemployment benefits, whether they are provided through a defined benefit pension plan or another type of plan.

Pension plans – Arrangements through which pensions are determined, assets dedicated for pensions are accumulated and managed, and benefits are paid as they come due.

Pensions – Retirement income and, if provided through a pension plan, postemployment benefits other than retirement income (such as death benefits, life insurance, and disability benefits). Pensions do not include postemployment healthcare benefits and termination benefits.

Period-certain term – A term specifying that the termination of a split-interest agreement occurs after a specified period. (For example, a number of years.)

Plan members – Individuals that are covered under the terms of a pension plan. Plan members generally include (a) employees in active service (active plan members) and (b) terminated employees who have accumulated benefits but are not yet receiving them and retirees or their beneficiaries currently receiving benefits (inactive plan members).

Postemployment – The period after employment.

Postemployment benefit changes – Adjustments to the pension of an inactive employee.

Postemployment healthcare benefits – Medical, dental, vision, and other health-related benefits paid subsequent to the termination of employment.

Projected benefit payments – All benefits estimated to be payable through the pension plan to current active and inactive employees as a result of their past service and their expected future service.

Program revenues – Term used in connection with the governmentwide statement of activities. Revenues that derive directly from the program itself or from parties outside the reporting government's taxpayers or citizenry, as a whole; they reduce the net cost of the function to be financed from the government's general revenues.

Projected benefit payments – All benefit estimated to be payable through the pension plan to current active and inactive employees as a result of their past service and their expected future service.

Proprietary funds – Funds that focus on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

Real rate of return – The rate of return on an investment after adjustment to eliminate inflation.

Rebatable arbitrage – A term used in connection with the reinvestment of the proceeds of tax-exempt debt. A requirement to remit to the federal government interest revenue in excess of interest costs when the proceeds from the sale of tax-exempt securities are reinvested in a taxable money market instrument with a materially higher yield.

Remainder interest – A type of beneficial interest that confers the right to receive all or a portion of the resources remaining at the end of a split-interest agreement's term.

Reporting entity – The oversight unit and all of its component units, if any, that are combined in the CAFR/BFS.

Required supplementary information – Consists of statements, schedules, statistical data, or other information that according to the GASB is necessary to supplement, although not required to be a part of, the basic financial statements.

Restricted assets – Assets whose use is subject to constraints that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Restricted fund balance – Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Restricted net position – A component of net position calculated by reducing the carrying value of restricted assets by the amount of any related debt outstanding.

Retained earnings – An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

Revenue bonds – Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the enterprise fund's property.

Risk management – All the ways and means used to avoid accidental loss or to reduce its consequences if it does occur.

Self-insurance – A term often used to describe the retention by an entity of a risk of loss arising out of the ownership of property or from some other cause, instead of transferring that risk to an independent third party through the purchase of an insurance policy. It is sometimes accompanied by the setting aside of assets to fund any related losses. Because no insurance is involved, the term self-insurance is a misnomer.

Service costs – The portions of the actuarial present value of projected benefit payments that are attributed to valuation years.

Service life – The average remaining years of service of all members of the retirement plan (both current employees and retirees).

Single audit – An audit performed in accordance with *Title 2 U.S. Code of Federal Regulations*. The Single Audit allows or requires governments (depending on the amount of federal assistance received) to have one audit performed to meet the needs of all federal agencies.

Special district – An independent unit of local government organized to perform a single government function or a restricted number of related functions. Special districts usually have the power to incur debt and levy taxes; however, certain types of special districts are entirely dependent on enterprise earnings and cannot impose taxes. Examples of special districts are water districts, drainage districts, flood control districts, hospital districts, fire protection districts, cemetery districts, transit authorities, port authorities, and electric power authorities.

Special revenue fund – A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

Split-interest agreement – An agreement in which the donor enters into a trust or other legally enforceable agreement (with characteristics that are equivalent to a split-interest agreement) under which the donor transfers resources to an intermediary to administer for the benefit of at least two beneficiaries, one of which could be a government.

Substantive plan – Terms of an OPEB plan as understood by the employer(s) and plan members.

Tax and Revenue Anticipation Notes (TRAN) – Notes issued in anticipation of the collection of taxes and revenues, usually retrievable only from tax collections, and frequently only from the proceeds of the tax and revenue levy whose collection they anticipate.

Termination benefits – Inducements offered by employers to active employees to hasten the termination of services, or payments made in consequence of the early termination of services. Termination benefits include early-retirement incentives, severance benefits, and other termination-related benefits.

Total pension liability – The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service.

Trust funds – Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments, and/or other funds.

Unassigned fund balance – The residual classification for the County's General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

Unconditional benefit – A right belonging to the government that cannot be taken away without the government's consent, such as an unconditional beneficial interest.

Unearned revenues – Resource inflows that do not yet meet the criteria for revenue recognition. In governmental funds, earned amounts also are reported as unearned revenue until they are available to liquidate liabilities of the current period.

Unmodified opinion – An opinion rendered without reservation by the independent auditor that financial statements are fairly presented.

Unrestricted net position – That portion of net position that is neither restricted nor invested in capital assets (net of related debt).

Variance power – The unilateral power to redirect the benefit of the transferred resources to another beneficiary, overriding the donor's instructions. This transfer would occur without the approval of the donor, specified beneficiaries, or any other interested party.

